

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

23 – 24 February 2011

Question No: AET 8

Topic: Gambling reform and pre-commitment

Hansard Page: Written

Senator Cash asked: The Nova Scotia Government conducted an extensive, long-term trial of pre-commitment; as a result they adopted a voluntary system. What evidence are you relying on to suggest that a mandatory pre-commitment system will be more effective than a voluntary pre-commitment system?

Answer:

The trials conducted in Nova Scotia involved a small scale implementation of voluntary pre-commitment, and subsequently a trial of mandatory pre-commitment in nine venues. Although pre-commitment was mandatory in those nine venues, EGM gaming was still freely available at other venues. The potential of pre-commitment is compromised when there are ways to avoid the system (i.e. by going to another venue), since people would be able to break their own set limits at a time when they are the least rational. Wide-scale mandatory pre-commitment is necessary if people's choices are to become binding.

Moreover, the evidence from Nova Scotia does not weigh against mandatory pre-commitment. 61 per cent of gamblers surveyed considered that it should be mandatory for all players to set spending limits.

