

Submission

on the

ATMs and Cash Facilities in Licensed Venues Bill 2008

to the

Senate Community Affairs Committee

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1. Introduction

On 4 September 2008 the Senate referred the ATMs and Cash Facilities in Licensed Venues Bill 2008 introduced by Senator Xenophon to the Community Affairs Committee. The reporting date for this Bill is 10 November 2008, the same reporting date as Senator Fielding's previously referred Poker Machine Harm Reduction Tax (Administration) Bill 2008 and Poker Machine Harm Minimisation Bill 2008. The Committee has agreed that with the issues in the three bills being closely related, the inquiry into Senator Xenophon's Bill will be run in conjunction with the other two Bills.

The Committee has invited written submissions addressing issues raised by the Bill. Submissions are due by 3 October 2008.

2. ATMs and problem gambling

The Productivity Commission's 1999 report recommended that "targeted and potentially cost-effective options include restrictions on the location of ATMs and lower withdrawal limits in gambling venues."¹

The Bill would rely on the banking power², the corporations power³ and the postal and telegraphic power⁴ to impose restrictions on the location of ATMs and other cash withdrawal facilities in a venue holding a gaming licence under relevant State or territory laws.

The Productivity's Commission's "National Gambling Survey found that problem gamblers were more likely than non-problem players to withdraw money from an ATM at a venue whilst playing the pokies." Only 4.6% of recreational players reported that they often or always withdraw money from an ATM at a venue when playing poker machines compared to 58.7% of serious problem gamblers reporting that they did so. "[P]roblem gamblers surveyed by the Commission ranked ATM location as one of the most important issues for effective harm minimisation."⁵

A 2001 survey of problem gambling in the ACT found that "of surveyed ACT problem gamblers, 46.9% of those who scored SOGS 5+ and 73.6% who scored SOGS 10+, often or always withdrew money from ATMs to play gaming machines."⁶ "These figures suggest that there is a positive correlation between problem gambling severity and likelihood of using."⁷

The Ministerial Council on Gambling's *National Framework on Problem Gambling 2004-2008* has as its second key focus area, "Responsible Gambling Environments" and gives as the objective "to minimise the likelihood of recreational gamblers developing problem." One of the strategies listed is "to enable gamblers to limit their expenditure or time spent gambling, for example through pre-commitment measures and appropriate controls over financial transactions."⁸

A 2006 survey in New South Wales found that "in terms of expenditure behaviour and pokies/gaming machines, there is a significantly high frequency with which problem gamblers in particular insert notes into machines, compared with all other gamblers (84% of problem gamblers versus 54% of low risk gamblers who insert notes often/always).

"Furthermore, the problem gamblers are nearly eight times as likely to insert \$50 notes into machines compared with pokies/gaming machines players overall (41% versus 5%). The problem gambling group are nearly nine times as likely to use ATMs to withdraw money for gambling compared with pokies/gaming machines players overall (62% versus 7%). Moderate risk gamblers also display some of these expenditure patterns, however, to a lesser degree (13% insert \$50 notes and 18% use ATMs)."⁹

It is nearly a decade since the Productivity Commission's report definitively identified the scale of problem gambling in Australia. The increasing dependence of several States on revenue from gambling is a formidable obstacle to these States taking the necessary measures to reduce problem gambling. It is past time for decisive action.

This Bill seeks to use powers available to the Commonwealth to legislate for effective measures to limit problem gambling by reducing ready access to cash at licensed venues. This is a well-targeted response to problem gambling with minimal impact on recreational gamblers and others users of licensed venues.

Recommendation:

The Bill would implement effective measures to reduce the ready access to cash at licensed venues. This is an identified issue for problem gamblers. The Bill should be supported.

3. Endnotes

1. *Australia's gambling industries: final report: summary*, Productivity Commission, 1999, p 45; http://www.pc.gov.au/data/assets/pdf_file/0004/49234/summary.pdf.
2. *Commonwealth of Australia Constitution Act*, Section 51 (xiii).
3. *Commonwealth of Australia Constitution Act*, Section 51 (xx).
4. *Commonwealth of Australia Constitution Act*, Section 51 (v).
5. *Australia's gambling industries: final report: summary*, Productivity Commission, 1999, p.44-45; http://www.pc.gov.au/data/assets/pdf_file/0004/49234/summary.pdf.
6. *Survey of the nature and extent of gambling and problem gambling in the ACT*, Australian Institute for Gambling Research, 2001, p.12; <http://www.gamblingandracing.act.gov.au/Documents/Survey%20of%20Problem%20Gambling%20in%20the%20ACT.pdf>.
7. *Ibid.*, p 123.
8. *National Framework On Problem Gambling 2004-2008*, Ministerial Council on Gambling, 2004 [http://www.facs.gov.au/internet/facsinternet.nsf/vIA/gambling/\\$File/gambling_broch.pdf](http://www.facs.gov.au/internet/facsinternet.nsf/vIA/gambling/$File/gambling_broch.pdf).
9. A.C. Nielson, *Prevalence of gambling and problem gambling in NSW : a community survey 2006*, NSW Office of Liquor, Gaming and Racing Department of the Arts, Sport and Recreation, 2007, p 12; http://www.olgr.nsw.gov.au/pdfs/rr_prevalence_gambling.pdf.