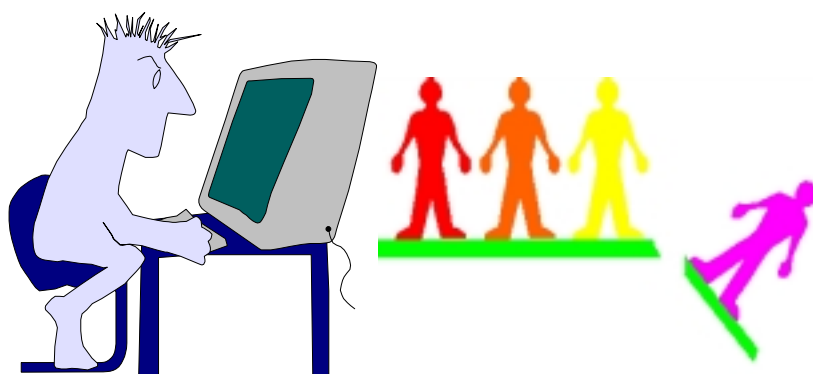


SUBMISSION

SENATE STANDING COMMITTEE ON ENVIRONMENT, COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE ARTS LEGISLATION COMMITTEE

Interactive Gambling Bill 2001



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INTRODUCTION

Baptist Community Services (SA) Inc. (BCS) welcomes the opportunity to make a submission to the Senate inquiry into the Interactive Gambling Bill 2001. That opportunity is particularly gratifying in view of a BCS submission in August 2000 to a government inquiry into the feasibility and consequences of banning interactive gambling.

(Madden and Wilson:2000)

That submission canvassed the grave concerns BCS had about the continuing escalation of problem gambling in our society and particularly the potential for an acceleration of those difficulties should interactive gambling be allowed to develop. Consequently an opportunity to comment on a Bill which effectively bans Internet gambling and also is symptomatic of the arrest, if not reversal of a dangerous trend in society, is warmly welcomed.

BACKGROUND

In providing social services to the South Australian community BCS is acutely aware of many of the problems endemic in our society and of the impact those problems have on individual people and society as a whole. BCS daily deals with people struggling with the negative effects of involvement with gambling and believes the benefits of this proposed ban will be substantial.

The percentage of pathological gamblers in our society and also the number of people impacted by the behaviour of such a person has proved difficult to quantify. Human beings have an extraordinary capacity to indulge in healthy and creative behaviour and sadly a corresponding capacity for unhealthy and destructive actions, often at great cost to themselves. Internet gambling would seem to fit almost overwhelmingly into the second category with little of the perceived benefits of more traditional forms of gambling.

One year after the introduction of poker machines into South Australia in 1994, Roslyn Phillips says that gambling revenue in that state had soared by 40%. Phillips also quotes from a 1995 SA Government report into the impact of gaming machines, and reports quotes from Reverend Geoff Scott of the Adelaide Central Mission and journalist Penny DeBelle in the Advertiser which clearly show the potential for exploitation of a group of vulnerable people. This included those living in the poorer areas of Adelaide, and a growing potential for gambling addiction in women.
(Phillips,1997:9,10)

While a re-visiting of the impact of poker machines on society may appear superfluous in the context of a submission on interactive gambling, the connection is

made much clearer when considering the potential for social damage of Internet gambling. For instance, Paul Symond of the NSW Council for Problem Gambling speaks of the growth in the number of women gambling with nearly all of them gambling on poker machines. Symond says that this is paradoxical because while they are often trying to escape loneliness, they use a form which offers little interpersonal contact. Internet gambling would seem to offer the archetypal lack of such interaction with people. That this provides a new breed of problem gambler is evidenced by Madden and Wilson's quoting of Tierney and Harradine that the introduction of poker machines has seen the number of women seeking help for problem gambling rise from 2% of the total to about 50%.
(Symond in Healey,1997:27) (Madden and Wilson,2000:3)

Compounding the danger is what John Nieuwenhuizen refers to as Australia's "love affair with technology or leave your common sense at the front door". Leading social researcher Hugh Mackay echoes these concerns saying;
"Quite apart from the out-and-out technophobes, many of those who are embracing new technology with unrestrained vigour are quite unsure about the social impact, and the true benefits, of what they are doing. And they are particularly nervous about the long-term effects of some of the technology now flooding into their children's lives."
(Nieuwenhuizen,1997:1) (Mackay,1999:237)

The Festival of Light in its submission to the Senate Select Committee on Information Technologies inquiry into on-line gambling in 1999, substantiates the value of revisiting the history of the introduction of poker machines. They quote SA Premier John Olsen as saying in 1998 that, "in hindsight, it would have been better for the State if poker machines had never been introduced".
(Festival of Light,1999:6)

Olsen's comment is worth remembering when considering that the Festival of Light and other religious and community organisations were arguing against the introduction of poker machines in the early 1990's. The Federal Parliament has the opportunity in dealing with this current bill, the Interactive Gambling Bill 2001, to listen again to the warnings of people such as Nieuwenhuizen and Mackay.
(Festival of Light,1999:6)

Such a re-visiting of history should encourage the Parliament to pursue with renewed vigour this legislation banning interactive gambling.

BCS applauds the Government in proceeding down the path of prohibition rather than regulation of Internet gambling, but still has some concerns with the legislation as currently drafted.

CONCERNS

BCS has several concerns about the proposed legislation, especially in view of the above background. Some of those concerns may be aesthetic, or required to ensure the workability of the legislation but others are more substantial such as discomfort about prospective loopholes and a desire to see the legislation ‘have teeth’.

Wording

Preference would be given to seeing wording in the legislation to reflect more strongly a determination to see its provisions enforced after its enactment.

The use of words such as ‘may’, ‘intends’ and ‘request’ are used frequently throughout the draft legislation. Less commonly are much stronger words such as ‘must’ used, and that for instance when stipulating that the ABA ‘must’ consult with a body or association from which it has requested an industry code. BCS is pleased that there is not total reliance on a largely self-regulating industry code, but believes that the wording in the bill, especially regarding industry code implications could be strengthened.

(Sections 21, 32, 39(1), 44, 45(2), 46, 46(8), 44(3), 39(1))

Exemptions

While exemptions under Corporations Law are clearly spelt out in Section 9, no such concrete evidence is provided as to under what circumstances under Section 10 the Minister may determine a specified class of services may be classified as exempt services. Such lack of evidence causes some discomfort.

Ministerial Review

Section 68 requires the conduct of a review of the operation of the Act before 1 July 2004. Such stipulation is welcome, and while it could be expected that the review report would be available and tabled in the Houses soon after that date, no specified date for that tabling is made in the Bill.

Lack of Stimulus and Power for ABA

Under Section 21 there is the statement that the ABA “may investigate any of the following matters if the ABA thinks it is desirable to do so:”, with the matters referred to being contraventions of the Act. Such wording not only gives a great deal of leeway to the ABA in its operation regarding this legislation, but also offers little

confidence to organisations such as BCS that once enacted the legislation will ‘have teeth’.

A similar tone is conveyed under Section 32 regarding the development and registration of industry codes and compliance with those codes. Sections 58 and 59 also offer a rather woolly specification regarding what actions the ABA should take when becoming aware of contraventions of the legislation.

BCS would be far more comfortable if the ABA was given a charter to not only actively monitor Internet sites for any possible breaches of interactive gambling laws, but also to actively set in train appropriate police action against the offenders. Such charter would be in addition to the complaints system and complement it rather than replace it.

The Complaints System

While the introduction of a complaints system into the operation of the legislation is welcome, undue reliance on that method of ensuring compliance causes some concern.

In a culture where there is a predilection for gambling and also an ‘anti-dobbing’ mentality, it is not difficult to envisage that complaints would usually originate from people who have been ‘burnt’ by Internet gambling and those organisations and individuals who represent them, with some complaints coming from community minded individuals outside those parameters.

POSITIVES AMONGST THE NEGATIVES

BCS is clearly aware of the sad prospects awaiting those people for whom gambling becomes a problem, and for society should the trend to increased gambling in the community be maintained. Representing as it does signs of the slowing and possible reversal of this trend, the Interactive Gambling Bill 2001 can be seen as a starting point for building a positive momentum in dealing with gambling problems in Australian society.

There are numerous factors which can be taken into account in building such momentum within the nation.

Community Attitudes

As Madden and Wilson state, community concern regarding poker machines has changed with a growing awareness of their seductive and addictive nature. Hopefully that awareness extends to the dangers of Internet gambling, and with appropriate education BCS believes it would.

(Madden and Wilson,2000:6)

A cartoon by Simon Kneebone in the book edited by Kaye Healey, *The Computer Age* illustrates the dangers to community of technology out of control, a danger which would be especially manifested in gambling on the Internet. Kneebone's cartoon has a male person asking "How have computers changed the way we work, learn, play and relate?" The female sitting at a computer answers, "We don't have to get out of our chair".

(Kneebone in Healey,1997:30)

The thought of such a succession of community fortresses in our homes should be anathema to our society, and points up a redeeming feature of more traditional forms of gambling in that there is at least some human interaction. Psychologist and therapist David Greenfield Ph.D. heads up a section of his book as "Gambling and Surfing the Net - the Hypnotic Trance". Noting the parallels between Internet addiction and gambling addiction Greenfield causes us to ponder the horrific prospects for our society if the two addictions were entwined. He says later in his book that;

"...social interaction is part of our genetic map for survival....without social cooperation we undoubtedly could not survive....we are complex organisms who require a delicate balance between the physical, psychological, social, and spiritual aspects of our humanity."

(Greenfield,1999:36,166,167)

The Nation

Australia is a nation which not only has an entrenched gambling culture, but that culture is outworked in financial terms. The Australian Council of Social Service said in 1997 that Australia had the dubious privilege of world leadership in dollars gambled per head of population, with a figure which was rising quickly.

(Australian Council of Social Service,1997:27)

While such a statistic can be considered a negative about the nation, Australia is also a remarkably successful society by almost any measure. That success can continue with the backing of the whole Australian community, and a Parliament prepared under Section 51 of the Australian Constitution to "...make laws for the peace, order, and good government of the Commonwealth..."

(Constitutional Centenary Foundation/Cheryl Saunders,2000:49)

Such a nation has the capacity to be a world leader, especially if Australians heed and act on the words of Mackay when he says;

“...Australians are showing signs of a new willingness to become involved; to insist that things should be done differently...and better. If we’re going to be an example to the world of a just, civil and harmonious society, a society that embodies the idea of a ‘new way’ as more than a political slogan, then the moment is upon us.”

(Mackay,1999:xix)

Education

While Australia as a nation has the capacity to be a world leader, including regarding legislation relevant to interactive gambling, laws can be circumvented. What can not be circumvented, however, is a nation of people prepared to work together for a common good.

In a nation with such a firmly entrenched culture of gambling, the elimination of gambling in Australia would be virtually impossible. What is possible, however, is the reduction and even elimination of the worst and most destructive elements of gambling in Australian society. Education for the whole community along the lines of that proposed by the Australian Council of Social Service is a key in building momentum to this aim.

(Australian Council of Social Service,1997:83)

CONCLUSION

BCS as a religious community organisation consistently contemplates the potential for good in people but so often is required to assist those most vulnerable people in our society who have been bruised by unhealthy human behaviour, sometimes of their own making.

In keeping with its two pronged mission statement, BCS will continue to provide services to those vulnerable people who are in most need, but it will also continue to advocate ways that can prevent those people having need for our services. BCS is appreciative of the opportunity to propose some of those ways to the Senate Inquiry into the Interactive Gambling Bill 2001, and asks that the following recommendations be considered.

RECOMMENDATIONS

1. Tighten wording of the Bill to indicate the determination of the Parliament to circumvent the clear and inherent dangers of interactive gambling.
2. Itemise the conditions under which the Minister will consider granting exemptions.
3. Stipulate more clearly the terms under which the Ministerial review of the legislation's operation will be conducted, and the date by which a report of that review must be tabled in Parliament.
4. Strengthen the wording relevant to the powers and mode of operation of the ABA, to reflect the determination indicated in Recommendation 1.
5. Give power to the ABA to actively monitor the operation of the legislation, and to pursue more vigorously contraventions of the Act.
6. Provide a 'hotline' at the ABA to enable preliminary complaints to be made, which can be quickly investigated to decide whether a formal complaint is required.
7. Include the provision of funding to provide community education, both on the dangers of interactive gambling and the reasons for the Government taking a strong stand in banning it.
8. Send a clear message to society that this legislation marks a determination to deal with the major problems to individuals and the community of problem gambling.
9. Aspire to and demonstrate leadership in the world community in continuing to create a civil and harmonious society in Australia.

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