# **Chapter 1**

## Introduction

1.1 On 1 November 2012, the National Gambling Reform Bill 2012 (the bill), and two related bills, the National Gambling Reform (Related Matters) Bill (No.1) 2012, and the National Gambling Reform (Related Matters) Bill (No.2) 2012, were introduced into the House of Representatives. Pursuant to the resolution of appointment of the Joint Select Committee on Gambling Reform the bills were referred to the committee for inquiry and report.

#### **Background to the bills**

- On 21 January 2012, the government announced its plan to address problem gambling.<sup>4</sup> On 17 February 2012, the government released exposure drafts of the National Gambling Reform Bill 2012 and the National Gambling Reform (Related Matters) Bill 2012, inviting comment on the technical and operational aspects of the bills by 23 February 2012. After concern was expressed about the short timeframe for comments, this deadline was subsequently extended to 2 March 2012.5 The government undertook consultation with key industry groups, manufacturers, state and territory governments community groups and in the week beginning 20 February 2012.<sup>6</sup>
- 1.3 Ms Liza Carroll, Deputy Secretary, Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) confirmed that consultation with industry and community stakeholders has taken place. It included formal consultation on the exposure draft of the legislation which was released on 17 February 2012. FaHCSIA also noted that consultation by the department, Minister

<sup>1</sup> The three bills are referred to as 'the bills'.

<sup>2</sup> House of Representatives, Votes and Proceedings, No. 142, 1 November 2012, p. 1945.

The resolution of appointment for the Joint Select Committee on Gambling Reform directs the committee to inquire into and report on 'any gambling-related legislation that has been tabled in either House, either as a first reading or exposure draft'. *Journals of the Senate*, 30 September 2010, pp 141–142.

The Hon Jenny Macklin MP, Minister for Families, Housing, Community Services and Indigenous Affairs, 'Tackling problem gambling in Australia', *Joint Media release*, 21 January 2012.

<sup>5</sup> See Joe Kelly, 'State aghast as bill lets feds regulate pokies', *Weekend Australian*, 18 February 2012, p. 6.

The Hon Jenny Macklin MP, Minister for Families, Housing, Community Services and Indigenous Affairs, 'Legislation for National Gambling Reforms', *Media release*, 17 February 2012.

Macklin and her office on specific issues was undertaken outside the formal consultation period.<sup>7</sup>

1.4 The reforms also build on the May 2011 agreement of the Council of Australian Governments Select Council on Gambling Reform to support the required infrastructure for pre-commitment technology in all jurisdictions in every gaming venue. In addition the bills are based on the evidence and recommendations of the Productivity Commission.<sup>8</sup>

#### **Purpose of the bills**

- 1.5 The object of the proposed Act is to reduce the harm caused by gaming machines to problem gamblers, their families, their communities and those at risk of experiencing that harm.<sup>9</sup>
- 1.6 The Minister for Families, Community Services and Indigenous Affairs, the Hon Jenny Macklin MP stated that the intention of the bills is to give effect to the gambling reforms announced by the government on 21 January 2012 which include:
- by the end of 2013, new poker machines manufactured in, or imported into, Australia to be capable of supporting an approved pre-commitment system;
- by the end of 2016, all gaming machines to be part of a state-linked precommitment system and display electronic warning messages (noting that eligible small venues will have longer to implement);
- a \$250 a day ATM withdrawal limit for gaming venues (other than casinos) from 1 May 2013. 10

### **Conduct of the inquiry**

- 1.7 The committee advertised the inquiry on the committee's website. The committee also wrote to a number of organisations and individuals inviting submissions by 9 November 2012. The committee received 20 submissions which are listed in Appendix 1.
- 1.8 The committee held a public hearing for the inquiry which took place on 13 November 2012 at Parliament House in Canberra. A list of witnesses who appeared

Ms Liza Carroll, *Proof Committee Hansard*, 13 November 2012, p. 64; See also Ms Leesa Croke, *Proof Committee Hansard*, 13 November 2012, p. 68; See FaHCSIA, Answers to questions taken on notice, No. 23, received 16 November 2012.

The Hon Jenny Macklin MP, Second reading speech, *House Hansard*, 1 November 2012, p. 12911.

<sup>9</sup> Clause 4, National Gambling Reform Bill 2012.

The Hon Jenny Macklin MP, Second reading speech, *House Hansard*, 1 November 2012, pp 12912–12913.

at the hearing is at Appendix 2 and the Hansard transcript is available online at: http://www.aph.gov.au/hansard.

#### Scope of the report

1.9 Given the limited amount of time available for the inquiry, and the extensive consultation process undertaken in early 2012, the committee has decided to focus on the provisions of the bills and not to again cover in detail the policy issues covered in its first report, *The design and implementation of a mandatory pre-commitment system for electronic gaming machines.* <sup>11</sup> For those who may be unfamiliar with the background to the legislation and policy development that report provides greater detail.

#### **Note on references**

1.10 References in this report are to individual submissions as received by the committee, not to a bound volume. References to the committee Hansard are to the proof Hansard. Page numbers may vary between the proof and official Hansard transcript.

#### Acknowledgement

1.11 The committee thanks those organisations and individuals who made submissions and gave evidence at the public hearing.

Joint Select Committee on Gambling Reform, First Report: The design and implementation of a mandatory pre-commitment system for electronic gaming machines, 6 May 2011.