

## **a. the participation of Australians in online poker**

### **About Me**

My name is Oliver. I am a 31 year old Australian citizen living on the Gold Coast in Queensland with my partner. I have played online poker for real money on a regular basis since 2006 and I have enjoyed this hobby with my partner for many years as she enjoys playing online poker as well.

Online poker has been a major part of my life over the past decade. At times over that period I have lived in rural and regional areas including the Sunshine Coast, Bundaberg and Magnetic Island. These areas do not have access to a casino and online poker was the only way I could play the game of poker which is one of my favourite hobbies. I have studied the game to improve my strategies and as a result due to poker being a game of skill I have had more than my fair share of favourable results. I have enjoyed many thousands of hours playing online poker as a hobby for no financial cost to me personally and many of my friends have also enjoyed thousands of hours of this hobby. Online poker has given me a great deal of enjoyment over the years and I especially enjoy the social interaction with other players and intellectual stimulation that the strategic side of the game provides. In total, I have personally played thousands of online poker tournaments over the past decade and I currently average playing 10-15 hours of online poker per week. Poker is an enjoyable hobby that is a major part of the lives of tens of thousands of Australians including many of my friends, with thousands of Australians enjoying online poker every day. For every submission you read from an online poker player like me, there are hundreds or thousands of people like me who simply aren't aware that these proceedings are taking place and who will be shocked and disappointed if their favourite hobby is taken away from them in a free country.

I have many friends who enjoy playing online poker and I have formed many rewarding friendships with people I originally met through playing online poker. Some of my friends are purely recreational players who enjoy the small stakes games that they can play for online while others take the game more seriously and study strategy and strive to become the best poker players they can be. All of us deserve to be able to continue to enjoy our hobby in a safe, legal and regulated environment and I hope that the government will allow this to occur through implementing sensible legislation to license, tax and regulate the online poker industry in Australia as no current legislation exists. It is important to allow both Australian and international online poker operators to apply for licensing and pay their corporate taxes to the Australian government as no such mechanism exists under the current law and in 2017, it is long past time that our laws kept up to date with technology and allowed this process to take place.

I prefer to play from the comfort of my own home when I feel like a game of poker for a variety of reasons. There is a wide selection of games available online, both in game type and buy-in level. The house fee or 'rake' taken by online poker sites per game is smaller than the rake taken by brick and mortar casinos due to lower overheads, which means on average a player will win more or lose less money per game playing online poker compared to live poker as less money is being taken out of the prize pool per game by the poker. I also enjoy the flexibility in buy-in ranges and game types available that I can choose from playing online poker - for example, if I want to play any form of poker other than Texas Hold'em or Omaha I can't find any games at a casino in Queensland because they are not offered but they are available at online poker sites. I also can't play a game for \$2 at the casino if I choose to do so, the minimum buy-in is

hundreds of dollars and this effectively locks out recreational players and people who don't have disposable income who wish to play a cheap game of poker for fun. Online poker allows these people, myself included when I feel like playing small stakes games, to play a game of poker for a reasonable price. The overheads involved running a casino simply don't allow small stakes games to exist as the casino would lose money.

I strongly believe that it would be hypocritical for the government to allow me to play poker at a casino but not at a safe and regulated online poker site owned by a multi-billion dollar publicly traded company or any reputable company that meets the licensing criteria. It also seems ridiculous to me that as an adult in a free country that under the current amended IGA bill I would not be able to legally participate in a game of cards on the internet with my own hard earned money. As an Australian adult and taxpayer, I do not want a 'nanny state' telling me what hobbies I can and can't enjoy, especially when in this case the game of poker is legally available at brick and mortar casinos and other forms of gambling with far worse 'odds' (the percentage of money returned to the punter per dollar wagered) and no skill or social aspect are widely available both in brick and mortar venues and online for Australians to legally participate in.

Hypothetically, I could bet \$20,000 on an NRL or AFL match on Centrebet, a legal and regulated Australian online sports betting site or by walking into a TAB outlet this weekend completely legally. I could buy \$1,000 worth of lottery tickets or put a few thousand dollars through the 'pokie' or slot machines seen in almost every RSL in Australia. This is all completely legal. So why shouldn't I be able to enjoy a \$5 game of poker on the internet? It would be hypocritical and illogical to single out and ban online poker, a game of skill enjoyed by tens of thousands of Australians as a hobby and a game that multiple studies have shown has one of the lowest risks for problem gambling of any form of gambling from being offered to Australian adults. Legislation should be put in place to allow both Australian and offshore companies that offer online poker to be licensed, regulated and taxed on their profits in the Australian market.

It is important to note once for those unfamiliar with the game of poker that Poker and "Pokies" are **NOT** remotely close to the same thing, there is no relation between the game of poker, a skill based card game, and "pokies" which are slot machines with no skill aspect. Online poker is a card game of skill with a social aspect with no relation to slot or 'pokie' machines at all.

## **About Online Poker**

For those of you unfamiliar with how the mechanics of online poker work, I have decided to include a quick summary of the two main types of online poker; tournaments and cash games. For those of you familiar with how the game of online poker works, feel free to skip this section.

To enter an online poker tournament, all players pay a fixed price or 'buy-in' that is contributed in full to the prize pool. Players cannot lose more than the amount of the 'buy-in' they have selected and the tournament will finish for that player if they run out of tournament chips which are given to all players at the start of the tournament. There are a wide range of tournaments available at online poker rooms with different buy-ins and game types and a player can buy in for an amount of their choosing along with other players who want to play for the same amount of money, whether that is 20 cents, 20 dollars or whatever amount is suitable based on their gambling budget and how much

money they wish to a risk per tournament. Tournaments typically last for several hours and give all players, even those who do not win a prize at the end, an average of over an hour's worth of entertainment playing a large number of individual poker hands without needing to risk any money beyond their original chosen buy-in which helps promote responsible gambling within a player's budget. In a tournament, poker hands are dealt until there is an overall winner who has collected all of the tournament chips. The entire prize pool is then awarded to a set number of winning players based on their finishing position, with players who finished in higher positions receiving the biggest prizes. In exchange for hosting the game, the online poker room charges a small fee, paid separately by all entrants to the buy-in, typically ranging from 2-10% of the buy-in amount. For example, a tournament might have a buy-in of \$2 and an entry fee of 20 cents, for a total amount of \$2.20, with \$2 from each entry directly placed into the prize pool and redistributed to players at the end of the tournament based on finishing position. By comparison, this fee is typically 10-30% of the buy-in to play a tournament at a brick and mortar casino due to the larger overheads involved which means players can play fewer games in person for their money both due to the larger fees as well as the fact that small buy-in games cannot feasibly be run in brick and mortar casinos due to the overheads involved.

The smallest scheduled tournament regularly held at any casino in Australia is the Midday Madness tournament at Crown Casino which costs \$60 to enter. No other casino in any other state in Australia regularly offers any poker tournament with a buy-in of less than \$100 as far as I am aware. By comparison at the largest online poker sites there is always a tournament with a buy-in of \$2.20 or less available making the game available to recreational poker players who wish to gamble responsibly. For the cost of buying into a single game at the casino, I could play over a hundred tournaments online giving me a month or more of entertainment and it would be a cheap hobby even if I never won a single prize.

The other main type of poker game offered is called a cash game. Cash games are also available on online poker sites. Players buy in for a fixed amount of their choice and can play as few or as many hands as they want and the online poker site takes a very small fee after each hand from the winning player. Like with tournaments, players cannot lose more money than they choose to buy in with, which promotes responsible gambling. Cash games are available online with buy-ins as small as 40 cents with a buy-in being the maximum amount you can lose sitting at the table without playing a new game is your chosen buy-in) and individual hands of poker with a minimum bet of 2 cents. A typical minimum buy-in at an Australian casino ranges from \$100-300. Again, online poker is a far more appealing option for recreational players who only wish to wager with small amounts of money.

I strongly believe that regulating the online poker industry in Australia in a manner similar to the highly successful approach taken in the UK which will be discussed later in my submission will lead to a much better outcome for Australian online poker players as opposed to taking the prohibition route which has been tried and failed in other countries.

## **b. the nature and extent of any personal or social harms and benefits arising from participating in online poker**

## **My personal experience**

Poker has not negatively impacted my life in any way. It is an enjoyable hobby, I play when I want to play and don't play when I don't want to play and playing online poker when I choose to do so brings me a great deal of enjoyment. I believe it is my right as an individual living in a free country to choose what forms of entertainment I wish to spend money on and the rights of the individual need to be protected here.

Poker has had an overall positive impact on me in many ways. It has taught me about risk management including leaning when to take calculated risks and when to avoid risk. This has many real world applications. I have improved my financial management skills and ability to identify investment opportunities that are likely to yield a positive return on investment - a similar skill set that traders use when investing in the stock market. Poker has also given me a better grasp of mathematics and probability through studying game theory. This can be applied to decision making in many aspects of life and through analysing the probability of events it becomes easier to make sound logical decisions in many aspects of everyday life.

On a social level, online poker has provided me with enjoyable banter and social interaction with other players at the online poker tables in times when I have been socially isolated from close friends and family through distance. I have even made several in-person friendships with people from all walks of life that I first met playing online poker. I have also won several prize packages to participate in poker tournaments in casinos around the world leading to enjoyable holidays in Australia and overseas that I wouldn't have been able to experience without winning a prize package playing online poker. Most importantly, I have had access to an intellectually stimulating and affordable hobby that makes me happy.

## **Average rate of money lost per hour is low compared to other forms of gambling and non gambling entertainment, online poker is cheap entertainment**

Online poker provides access to an average of over an hour of entertaining game play per buy-in for a poker tournament with games available with a minimum buy-in of less than a dollar. Poker is a game that has to be played with something at stake in order for strategy to matter and therefore the game to be entertaining and this can be achieved for a very small amount of money when playing online poker.

With many forms of legal gambling in Australia including poker in casinos and other licensed venues, online poker is a very cheap form of entertainment relatively speaking compared to all other forms of gambling even for players that rarely win due to a lack of skill by comparison to other players because you get to play a large number of individual hands of poker for a single buy-in and cannot lose more than you choose to bring to the table.

For example, if a player is playing \$5 online poker tournaments (a fairly average stake played in online poker based on online poker site traffic at various buy-in levels) and the online poker provider is taking a 10% fee, the player is returned an average of about \$4.55 per game if they are of average skill. This means for an average of an hour's entertainment, they will lose an average of 45 cents per game. If the player is below average and has a negative 50% return on investment, making the player one of the weakest players imaginable, that player will receive back approximately \$2.27 per game on average, for an investment of \$2.73 for an hour's entertainment. The most skilled

players will actually win in the long term and will make a small amount of net profit from their hobby. The lesser skilled players are provided with a cheap form of entertainment and will lose a negligible sum for the entertainment they are receiving from gambling - for example, a \$1 keno game lasts for about 2 minutes and players receive about 70% of their money back. At 30 cents lost on average per game x 30 games an hour, they are paying \$9 per hour for a less intellectually stimulating form of gambling based entertainment. On a slot/pokie machine at an RSL, playing 20 cents a press on a 1c machine at ten spins per minute and a 90% return (in reality I believe in reality payback is less on a machine where you can do 20 cent presses), that works out to \$12 per hour in expected average losses for an hour's entertainment. If returns are 80% on the machine, average losses would be \$24 per hour. Online poker is an incredibly cheap form of entertainment in terms of average spend per hour for recreational gamblers compared to other gambling games. Seeing a movie at the cinema costs \$20 for 2 hours worth of entertainment at a cost of \$10 per hour. With \$20, you could play 10 separate \$2 poker tournaments and have ten or more hours worth of entertainment and that is assuming that you don't win any prizes at all, most players will win some prizes if they play 10 games.

### **Intellectual stimulation and social interaction**

Unlike most other forms of gambling, poker is a game of skill and strategy, where the players that use superior strategies have better results in the long term on average. Naturally, this leads to most poker players wanting to improve their strategies which provides intellectual stimulation through studying game theory and the mathematical side of the game of poker.

Because online poker is an intellectually stimulating and social game of skill and strategy, many online poker players discuss strategy together in an effort to improve their strategies. It is also common for online poker players to interact socially while playing online poker through the chat function and the social interaction that online poker provides is very important to many online poker players.

### **Rights of the individual and civil liberties**

As a matter of personal freedom and civil liberties, it is a severe infringement upon the rights of the individual to restrict Australian adult citizens from playing a game of online poker with their own money against other consenting adults should they choose to do so. We as citizens do not want to live in a nanny state where highly unnecessary restrictions are placed upon our personal freedom.

### **Lower risk of problem gambling compared to other forms of gambling**

Online poker clearly has one of the lowest risks of problem gambling of any form of gambling as documented through several studies including Dr Sally Gainsbury's 2012 Department of Broadband, Communications and the Digital Economy's Review of the Interactive Gambling Act 2001 which is linked at the end of my submission. If online poker was prohibited, online poker players would likely seek out other forms of gambling to replace it as a hobby and be at a higher risk of problem gambling.

### **Rural and regional areas and people with disabilities and carers deserve equal access**

Not everyone can attend a casino to play poker in person. People living in rural areas can enjoy a game of poker online but would not have access to the game at all if online poker was banned. Many Australians, myself included at times at various points in my life do not live within driving distance of a casino

There are also people who cannot easily leave their home to play poker and they deserve equal access to their hobby. I have friends who are physically disabled and friends who are carers. Neither of these groups can easily access the game of poker should they choose to play while the average Australian could attend a casino to play these groups would effectively be excluded if online poker were banned. One of my friends has cerebral palsy and enjoys playing online poker for the intellectual stimulation and social interaction it provides when going to a casino would be impossible for him without a carer coming with him which isn't practical most of the time. I also have a friend who is a carer for his elderly grandmother who can't be away from the home for long periods of time but can enjoy playing a game of poker online. These people deserve the rights to enjoy their hobby without discrimination and banning the online version of a game that is legal to play in licensed venues is discrimination against those who can't attend those venues because of circumstances outside of their control.

### **Friendship and community**

As previously mentioned, I have made many friendships playing online poker that have gone on to become real-life friendships. Almost everybody I know in the Australian online poker community have had similar experiences where rewarding friendships have developed while pursuing a hobby along with likeminded people.

### **Licensing and regulating the online poker industry will generate substantial revenue for the government providing a tangible social benefit**

Licensing and regulating the online poker industry will generate many millions of dollars in ongoing tax revenue through licensing fees and taxes on the domestic and international companies that operate online poker sites in Australia. This money can be used to fund valuable social programs and/or lessen the burden on the Australian taxpayer which provides a tangible social benefit even to citizens who do not play online poker as they too benefit from the increase in government revenue. Can we as a nation really afford to say no to millions of dollars in tax revenue as well as jobs for Australians in the industry and economic growth generated by billion dollar companies doing business in Australia, paying taxes and providing millions in revenue to the government? Additionally, Australian businesses will be able to enter the market which will create Australian jobs and economic growth. Online poker players are going to play on illegal unlicensed offshore providers if online poker is banned anyway, so why shouldn't the government be receiving tax revenue that the major online poker companies are happy to pay in order to operate in Australia legally? Conservatively this will lead to millions of dollars in revenue a year. It would be financially irresponsible for the government to pass on what is effectively a substantial free revenue stream that cannot exist without a proper legal and regulated online poker industry.

**Licensing and regulating the online poker industry will provide protections for consumers and mitigate potential harm to Australian consumers. Prohibition has been tried in other countries and causes real harm to consumers through the creation of black markets.**

Prohibition has been tried in other countries and it does not work. In the United States of America, several disreputable companies offer online poker to Americans anyway in states where it remains illegal to play online poker and it remains very easy for players to access online poker games with these illegal operators. Even if geo-blocking is implemented, it is very easy for online poker players to obtain a VPN and play anyway. Furthermore, the government generates no revenue from offshore companies that operate illegally in the market. Even more importantly, online poker players have no recourse if their money is stolen by shady companies. In some cases black market criminal enterprises have been able to steal millions of dollars from their customers with no legal recourse for consumers. These illegal offshore providers will inevitably create a black market in Australia if online poker is not legalised, licensed and regulated in Australia. They are known to target problem gamblers with promotions, run no age verification checks, offer no self-exclusion options and on some occasions outright steal from their customers. If sensible legislation is not put in place to allow reputable companies from being licensed and regulated in Australia these very real social harms will be imposed upon Australian poker players and with no benefit to any party. If an approach of regulation and licensing is taken only reputable companies will be able to operate online poker games in Australia, real consumer protections will be put in place to mitigate social harms and promote responsible gambling and the Australian government will benefit through revenue while Australian online poker players benefit through regulations that protect consumers.

In the United Kingdom, the Gambling (Licensing and Advertising) Act 2014 is the relevant legislation that deals with online poker. An extensive study was held and a regulation process was established which has been hailed as a win for the players, the government and the providers alike. These laws are popular with companies and online poker players and have been implemented very effectively. Companies that are online poker operators can operate with legal certainty, online poker players who can enjoy fair and regulated online poker games with strong protections in place to protect players and the gambling commission provides oversight to online poker providers. The government also receives a substantial revenue stream under this legislation through taxing online gambling operators which provides a direct social benefit. Furthermore, there is no demand for illegal black market providers with a legal market existing so the problems associated with them are minimised as they are unable to gain any market share, mitigating the social harms associated with illegal black market providers. I highly recommend that we implement similar legislation in Australia to the United Kingdom's Gambling (Licensing and Advertising) Act 2014.

**c. whether the current regulatory approach, in particular, the recently amended *Interactive Gambling Act 2001*, is a reasonable and proportionate response to those harms and benefits.**

**It is not a reasonable and proportionate response for online poker in Australia to be illegal. Changes need to be made to the regulatory approach to online poker in Australia.**

The Australian IGA legislation was not amended with online poker in mind at all and in fact online poker did not exist when the original bill was passed in 2001. Online poker would be banned under the amended IGA without changes which would create black markets, prevent the government from collecting revenue from a billion dollar industry

and put Australian online poker players at risk of significant social harms as many will participate in online poker games offered by unregulated black market providers if there is no legal and regulated marketplace.

When the pros and cons are evaluated, it is clear that online poker should not be banned as that is an utterly ridiculous position that cannot be defended on its merits and all of the studies I am aware of that have been conducted draw the same conclusion.

Senator Mitch Fifield stated recently that 'Whether online poker should be legal in Australia or not is a separate debate' when Senator Leyonhjelm moved an amendment to exclude online poker from the IGA. It is time to have that debate and due to all of the reasons that I have set forth so far, it is clear that licensing and regulating the industry both provides tangible social benefits, both in terms of the freedom it will give people who enjoy playing online poker to play in a safe and regulated environment in a free country and the much needed revenue it will provide to the government. It will also mitigate social harms that arise in jurisdictions where online poker is banned as black market illegal offshore providers can and will service the market if online poker is banned in Australia and online poker players, myself included, will continue to play online poker regardless of what the law says so it makes more sense that the government collect revenue while providing consumer protections instead of banning it outright and creating a black market.

Online poker legislation in Australia has not kept pace with technology at all. The current amended IGA bill is not sufficient and this issue needs to be addressed so that Australian and international companies can be licensed to offer online poker to Australians and taxed on their profits. If online poker is not properly licensed and regulated, the effect of the current IGA amendment bill would be that online poker is banned in Australia. As an Australian adult citizen the idea that the government could ban my participation in a card game where everyone participating in the card game is a consenting adult is abhorrent. It would be a ridiculous nanny state policy that directly causes social harms through creating a black market and discards a valuable multi-million dollar revenue stream for government for no reason. Regardless of whether a person chooses to play online poker or not, and putting aside all of the logical reasons why a legal and regulated online poker industry in Australia is superior to a black market underground industry, the rights of the individual alone are reason enough to not ban online poker in Australia. Are we a free country or not? If you look at the countries around the world where online poker is banned outright, we're basically left with Islamic states and third world dictatorships. Is that the sort of company we should keep with regards to our legislation? With the exception of The United States which briefly banned online poker but it has since been brought back on a state by state level, online poker is legal and regulated in every Western democracy. Why? Because any sensible government recognises that there is no reason to ban online poker.

**Prohibition has been tried and it doesn't work, creating black markets while legal and regulated markets provide protection for consumers and revenue for governments. Regulation provides good outcomes for all parties.**

As previously mentioned, people won't stop playing and unregulated sites if legislation bans online poker in Australia, just like people don't stop torrenting movies and TV shows just because it's against the law. Almost every person I know who is technologically literate has illegally torrented media content at some point and every online poker player I know intends to keep playing on black market sites if the reputable

sites are forced out of the market through bad legislation. I could load up a VPN in under a minute and play on these black market sites that will continue to service the Australian market regardless of legislation if online poker was banned where I am at risk of being cheated or stolen from due to lack of regulation. If online poker is banned in Australia, I and many like me in the Australian poker community will do just that and these black market providers will take over the Australian market if legitimate companies are forced out of the market through an online poker ban.

The United Kingdom has the most well regulated online poker laws in the world. Players know their funds are safe and kept in segregated and independently audited accounts. Independent audits take place of the random number generators creating the shuffle to ensure a fair game for all players - this doesn't always happen in an unregulated market. Know Your Customer and strict ID verification checks prevent underage gambling. A strong gambling commission protects its citizens with consumer protections and regulations and in turn, the government generates millions of dollars in revenue. Billion dollar international companies invest in offices in the country and new domestic companies are formed generating jobs and growth. Consumers, legitimate companies and government are all satisfied with this type of legislation and similar laws can be and should be implemented here.

### **Hypocrisy as other forms of gambling create far more social harm remain legal forms of gambling in Australia that won't be banned under the amended IGA legislation**

As I mentioned earlier in my submission, I could lose a thousand dollars in a day at my local RSL playing the pokies/slot machines. I know this for a fact because I used to work at a sports club and I saw the tracked revenue numbers myself - it was not uncommon for a single machine to take in over a thousand dollars a day, or a single punter to lose a thousand dollars, tracked by their membership card in a single session. Within a 15 minute drive of my house on the Gold Coast I have access to a casino that offers games of chance with no skill such as blackjack and roulette as well as slots/pokies. Ironically the casino also offers poker but you can't play unless you're willing to risk hundreds of dollars at a minimum due to the table stakes and it seems irresponsible to me to force anyone who wants to play poker to gamble for high stakes when online poker provides a wide range of low risk low stakes options for people who just want to play a game of cards for fun. I have access to dozens of venues with pokie/slot machines and Keno in my suburb and just down the road I can even play table games at sports clubs in Tweed Heads. I can buy lottery tickets at the Newsagent or even online. The Manly Sea Eagles stadium is called Lottoland and sports betting companies like Ladbrokes and Centrebet sponsor professional sports teams and advertise on television. I could bet tens of thousands of dollars on an NRL match at a legal Australian online sports book, with two clicks of the mouse, one to deposit and one to make a wager. On that point, as it stands currently Australian sportsbooks ban or restrict winning punters while allowing losing punters access to increased limits. If the unethical conduct of gambling providers in Australia are going to be look in to, why aren't minimum bet laws being looked into for sports betting forcing online sports books to take the maximum advertised wager from any customer rather than only losing punters who are more likely to be problem gamblers? We are not a country where gambling is illegal, Australians love a punt and in general we believe in personal freedom and responsibility so why should online poker be singled out to be banned when legal and regulated online poker has among the most social benefits and fewest social harms of any form of gambling?

It is worth noting that I don't have any problem with any of these legal forms of gambling available to Australians, whether they are slots/pokies, keno, lotteries, sports betting or casino table games but all of them contribute vastly more social harm to Australian society than online poker specifically when it comes to problem gambling and it would be absurd and hypocritical to ban online poker while all of these alternative forms of gambling are legal and in many cases accessible in an online form. My partner purchases lottery tickets online legally in Australia on occasion. I place sports bets online legally. Why should these activities be legal but online poker shouldn't be? There is simply no consistent argument that can be made that all of these forms of gambling should be legal but online poker shouldn't be.

Adults are and should be responsible for their own recreational and financial decisions. To ban an Australian adult from wagering three dollars on a game of online poker when that same person could bet an entire year's salary on a football match either online or by walking into a TAB outlet in under five minutes is madness. I personally believe each of these forms of gambling should remain legal, but if politicians are serious about tackling social harms like problem gambling, licensed venue pokie/slot machines alone cause the bulk of social harms from gambling in Australia. To consider banning online poker under the false narrative that it may cause substantial social harms while pokie/slot machines that are the direct cause of most problem gambling in Australia is just ludicrous. All of these other forms of gambling are legal and online poker has caused no harm to the overwhelming majority of participants who have played online poker in the past decade. There is simply no reason why banning it is a logical policy position when there are so many valid reasons to legalise, regulate and tax the industry instead.

I will never vote for a politician who is in any way responsible for online poker being banned in Australia or who votes against any motion or legislation to legalise and regulate the industry. There may only be tens of thousands of us in Australia who play online poker, but we all vote and we will all be voting for politicians who support legal online poker in Australia. For many of us, myself included, this is the single most important issue that will determine my vote at the next election because we do not want the government to ban one of our hobbies - imagine the outrage if the government banned fishing or bridge or any other mainstream hobby enjoyed by thousands of Australians. It says a lot about what sort of country we want Australia to be - are we a free country or not? If people in China, the land of internet censorship and internet filters can still play online poker legally and Australians can't, then are we really a free country at all? Wouldn't we rather follow the lead of the United Kingdom and other western democracies that have successfully implemented legislation to legalise and regulate the online poker industry?

I realise that for anyone who doesn't play online poker this is not an important issue and that the government has more important matters to deal with, but in general even those people unfamiliar with online poker if properly informed would mostly be in favour of the government increasing its revenue to lower their taxes and/or increase spending on social programs in a way that doesn't affect them at all and providing consumer protections in general to Australian citizens. It makes sense to simply allow Australian gambling licensing bodies to give out licenses to reputable companies to operate online poker games in Australia and for the government to collect a tax based on these companies Australian profits.

Multiple studies independently confirmed that online poker has one of the lowest rates of problem gambling of any form of gambling available to Australians. I have included a link

to one of the studies below, there are others both in Australia and overseas that have drawn similar conclusions and I am sure some of them will be cited in other submissions, a quick google search will lead to many similar studies that have been conducted and drawn similar conclusions. There is simply no justification not to allow online poker to be offered to Australians by licensed, regulated and reputable companies when tens of thousands of Australians have already been enjoying playing online poker for a decade with no major issues arising from that - a clear transition into a regulated online poker industry will allow the government to benefit in the form of a revenue stream while protecting Australian citizens who choose to play online poker. Technology has evolved and legislation needs to evolve with it and it is a win/win situation to legalise and regulate online poker in Australia. A legal and regulated online poker industry is superior to the black market industry that will arise if online poker is not legalised and regulated in Australia in terms of social benefits and mitigating social harms. The government will gain a valuable revenue source through taxing online poker operators on their Australian profits while protecting the individual freedoms of Australian citizens and providing consumer protections. Regulation has worked in other countries while prohibition has failed. There is no reason not to do this, so please, make it happen.

### **Relevant Studies**

<https://www.communications.gov.au/file/7811/download?token=F785mC4I>

2012 Department of Broadband, Communications and the Digital Economy's Review of the Interactive Gambling Act 2001

### **Summary**

The 2012 report found amongst other things with regards to online poker

- It has a different character to Electronic Gaming Machines (EGMs)
- It is partly a game of skill
- There is no evidence that players experience the trance like states that occur when playing EGMs
- There is a social element to the game as you are playing against other people so it is very interactive
- It is a game in which people compete for a pot of money to which they contribute which therefore limits losses

In her submission on the review Dr Sally Gainsbury (Deputy Director at Gambling Treatment Clinic and Research Group, University of Sydney), observed that online poker appears to have relatively low likelihood of leading to gambling problems. The report recommended amending the IGA to pave the way for online poker to be licensed in Australia.