

AUSTRALIAN DEMOCRATS

MINORITY REPORT

Context

This report is written at a time when the extension of gambling outlets in Australia has reached alarming proportions. In recent surveys a majority of Australians have indicated their opposition to the opening up of further outlets for gambling.

The main reasons for this opposition has to do with the harm caused to individuals and families through gambling addiction. There is also a growing concern about the increasing dependence of State Governments on gambling as a source of revenue.

Some social commentators have commented especially on the extension of gambling within Australian homes which would occur if the extension of internet gambling goes ahead.

Rev Tim Costello, in his book “Wanna Bet”, points out that the demand to extend gambling facilities comes from the industry itself, not from public demand for more outlets. He also writes of the incremental increase in gambling through State Governments’ progressive watering down of the tougher regulations of 20 – 30 years ago.

The proposed legislation is the first time since the second World War that any Australian government has proposed legislation that limits gambling rather than extending/regulating gambling.

We welcome the commitment from the Government to the Democrats that it will commit funds towards research into the social and economic effects of gambling and towards an education programme warning Australians about the dangers of the misuse of gambling. The Democrats urge the Federal Government also to continue to work with the States to increase funding for counselling and rehabilitation programmes.

The effect of the legislation

We recognise that the concept of banning all internet gambling is problematic because there is technically no way to stop access to internet sites at Australia’s borders. On this point, we agree with Senator Greig’s report. Nonetheless, this legislation, using the Australian Constitutional telecommunications and corporations powers, will limit the availability of interactive gambling services to Australians by making it an offence to provide them within Australia.

The States would not be able to issue licences nor profit from taxes collected from interactive gambling and whilst Australians would be able to access offshore sites, in our view they would be less inclined to do so knowing that there would likely be fewer consumer safeguards in place.

Industry and some states argue that a regulatory approach is more appropriate than legislation however, we note that regulations have no jurisdiction over offshore providers either.

We also share the view of Senator Greig's report that there is no good argument to allow Australian internet gambling providers to operate overseas. We do not accept that the very high revenue of \$1 billion said to be lost out of this country if Australian operators cannot conduct business overseas justifies a weakening of Australia's stand on opposing internet gambling. In fact, it is our view that any moral suasion this legislation might carry in assisting other countries to also protect their residents from social damage due to internet gambling, would be lost through this provision in the bill.

Recommendations

We support the recommendations of the majority report but will move amendments to the legislation.

Senator Lyn Allison

Senator John Woodley