



COMMONWEALTH OF AUSTRALIA

# Official Committee Hansard

## SENATE

STANDING COMMITTEE ON COMMUNITY AFFAIRS

**Reference: ATMs and Cash Facilities in Licensed Venues Bill 2008; Poker Machine Harm Minimisation Bill 2008; Poker Machine Harm Reduction Tax (Administration) Bill 2008**

THURSDAY, 25 SEPTEMBER 2008

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BY AUTHORITY OF THE SENATE



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**SENATE STANDING COMMITTEE ON  
COMMUNITY AFFAIRS**

**Thursday, 25 September 2008**

**Members:** Senator Moore (*Chair*), Senator Siewert (*Deputy Chair*), Senators Adams, Bilyk, Boyce, Carol Brown, Furner and Humphries

**Participating members:** Senators Abetz, Arbib, Barnett, Bernardi, Birmingham, Mark Bishop, Boswell, Brandis, Bob Brown, Bushby, Cameron, Cash, Colbeck, Jacinta Collins, Coonan, Cormann, Crossin, Eggleston, Ellison, Farrell, Feeney, Fielding, Fierravanti-Wells, Fifield, Fisher, Forshaw, Hanson-Young, Hefernan, Hurley, Hutchins, Johnston, Joyce, Kroger, Ludlam, Ian Macdonald, McEwen, McGauran, McLucas, Marshall, Mason, Milne, Minchin, Nash, O'Brien, Parry, Payne, Polley, Pratt, Ronaldson, Ryan, Scullion, Stephens, Sterle, Troeth, Trood, Williams, Wortley and Xenophon

**Senators in attendance:** Senators Adams, Boyce, Fielding, Furner, Humphries, Moore and Xenophon

**Terms of reference for the inquiry:**

To inquire into and report on:

ATMs and Cash Facilities in Licensed Venues Bill 2008;

Poker Machine Harm Minimisation Bill 2008; and

Poker Machine Harm Reduction Tax (Administration) Bill 2008

**WITNESSES**

**FARRELLY, Ms Jill, Branch Manager, Community Support Programs Branch, Department of Families, Housing, Community Services and Indigenous Affairs..... 1**

**LEWIS, Mr Evan, Group Manager, Mental Health, Autism and Community Support, Department of Families, Housing, Community Services and Indigenous Affairs..... 1**



**Committee met at 4.13 pm**

**FARRELLY, Ms Jill, Branch Manager, Community Support Programs Branch, Department of Families, Housing, Community Services and Indigenous Affairs**

**LEWIS, Mr Evan, Group Manager, Mental Health, Autism and Community Support, Department of Families, Housing, Community Services and Indigenous Affairs**

**CHAIR (Senator Moore)**—I welcome representatives from the Department of Families, Housing, Community Services and Indigenous Affairs to this public hearing of the Senate Standing Committee on Community Affairs. The committee is continuing its inquiry into three bills: the Poker Machine Harm Reduction Tax (Administration) Bill 2008, the Poker Machine Harm Minimisation Bill 2008 and the ATMs and Cash Facilities in Licensed Venues Bill 2008. Is there anything you would like to add about the capacity in which you appear?

**Mr Lewis**—My group includes a branch which deals with gambling, amongst other things.

**Ms Farrelly**—I am the Branch Manager for the Community Support Programs Branch in the department—

**CHAIR**—That is the area under which gambling comes?

**Ms Farrelly**—and I have responsibility for policy.

**CHAIR**—You have information on parliamentary privilege and the protection of witnesses and evidence. As departmental officers, you will not be asked to give opinions on matters of policy, though this does not preclude questions asking for explanations of policy or factual questions about when and how policies were adopted. The committee is aware that on 25 July 2008 the Ministerial Council on Gambling agreed to pursue a national work program to tackle problem gambling. The media release from the ministerial council noted that this work would happen alongside the new Productivity Commission inquiry into gambling announced by COAG on 3 July 2008. We have a copy of that communique.

At the recent hearings into these bills a number of groups referred to their expectation that the National Research Program and Productivity Commission inquiry would be providing a broader, evidence based approach to many of the issues that had been raised during the inquiry. The department has been invited today to assist our committee by providing an update on progress since the July ministerial council and COAG announcements. In particular the committee is interested in the nature of research work to be undertaken, issues to be covered, who is likely to undertake the research, the scope and terms of reference for the new Productivity Commission inquiry and the time frame for these various matters.

We have the document about the communique. I invite either or both of you to make an opening statement, and then we will have questions from a number of senators. I want to state again that senators may be coming in and out for different reasons. It is no reflection on their interest in your evidence.

**Mr Lewis**—We will make a short opening statement. First of all, I would like to give the committee an update on what the government is doing to address problem gambling, including through the Ministerial Council on Gambling. It goes to your terms of reference. The Ministerial Council on Gambling met, as you said, on 25 July 2008. It was the first meeting of that council since October 2006. The meeting forged a new partnership between the Commonwealth and the states to tackle problem gambling. At that meeting the council agreed to create a single website for online treatment of problem gamblers. This service provides online 24-hour, 7-days-a-week counselling for problem gamblers. All governments committed to funding for three years totalling \$1.4 million to support this. All governments are in a process of signing the memorandum of understanding to support this website.

The council also agreed to establish a single national 1800 gambling helpline which allows people to seek immediate help through a counsellor in their home state or territory by ringing one number wherever they are in Australia. The new national number is 1800858858. The council agreed on three key priority areas for new work to reduce harm from gambling: to help individuals set limits by looking at the role of access to cash and precommitment technologies; to create more responsible gambling environments through staff training and problem gambler identification; and to look at gaming machine standards which support harm minimisation. These priorities form the basis of a new program of work which will be progressed over the next five years, and working groups have been set up across governments to do this work. Officials have been tasked with developing work plans which will be agreed by ministers at the next meeting of the MCG in February—a meeting which has been brought forward as an additional meeting to reflect the interest of states and territories.

As you know, the Council of Australian Governments at its meeting of 3 July 2008 asked the Commonwealth Treasurer to arrange for the Productivity Commission to update its 1999 inquiry into Australia's gambling industries. The terms of reference agreed at COAG were the original terms of reference of the 1999 inquiry plus two additional terms of reference agreed across governments to evaluate success of the harm-minimisation strategies put in place by jurisdictions since the last inquiry. The Productivity Commission has a number of competing priorities, and we are awaiting formal advice from Treasury as to when the inquiry will commence.

The Ministerial Council on Gambling also agreed to fund Gambling Research Australia for a further five years. Gambling Research Australia was set up by the council to oversee the national gambling research agenda and develop the evidence base to inform government policy. The Australian government is also looking at the potential threat of emerging gambling technology such as internet and wireless gambling, and this was also discussed at the COAG meeting.

I am happy to take questions.

**Senator FIELDING**—Thank you for the opening remarks. You made a statement about 25 July 2008 and then October 2006. What was the gap between those meetings for?

**Ms Farrelly**—We have now had the new governments come in. It has been an important part of the commitment from government to tackle this issue. The first council of the Ministerial Council on Gambling was the first important step to bring together the activities of the states and the Commonwealth in this space.

**Senator FIELDING**—So the last meeting was in October 2006—when was the last election?

**CHAIR**—I know I should have it burned in my brain—it was November last year.

**Senator FIELDING**—Yes, November 2007. There is a bit of a gap. Is there a reason why there have been no meetings?

**Mr Lewis**—I took over the area as of the beginning of this year, so in looking at why there have been no meetings I suspect that leading into the election there would have been a delay and concern about timing and conflicting of work. Prior to that I cannot comment.

**Senator FIELDING**—How much do you know about the model that Western Australia have with where poker machines are situated versus, say, some of the eastern states? Have you looked at that at any length or in any detail? In Western Australia the poker machines are restricted to the casino area whereas in the eastern states they are in clubs, pubs and virtually across the board.

**Mr Lewis**—We are aware of the disparity in the different approaches that the states have as to how they manage gambling machines.

**Senator FIELDING**—Could you provide this committee with whether the harm from poker machines is lessened by not having them in pubs and clubs all over the place? Obviously, you have looked at it, so that is good, thank you.

**Mr Lewis**—We are aware that there are differences in how the states approach where they have machines and the legal approaches they take to where they can be, how many and so on. In terms of the differences in harm and so on these are matters that are part of the Productivity Commission brief. We would be speculating only at this time. We would not want to speculate on the differences and those issues out of court.

**Senator FIELDING**—How many times has the Ministerial Council on Gambling group met?

**Mr Lewis**—They have met seven times in total.

**CHAIR**—Can we get a schedule of the meeting dates just for our records?

**Mr Lewis**—We can table the list of meeting dates. The minister was very keen to have frequent meetings and the spirit in the room at the meeting which I attended was one in which there was agreement about the importance of the issue and there was a decision to have more frequent meetings around collaborative work. The meeting that has been scheduled for February, the next meeting, is very soon in terms of the workload that has been agreed as part of the last meeting's deliberations.

**Senator FIELDING**—Obviously, one of the goals is harm reduction. How much talk has there been about the Western Australian model being better than, say, the eastern states model?



**Mr Lewis**—There has not been that debate within the council in terms of relativities. It may have occurred between states separately, between ministers or in the past, but that debate has not been had yet in the current life of the council.

**Senator FIELDING**—I assume the council would use statistics between meetings. I assume they monitor things a bit. Would the members get together and look at data?

**Mr Lewis**—As you would be aware, there has been significant change in three states in the last few months. WA, SA and New South Wales have had changes in ministers responsible for this work in the last few months alone. In terms of how they share data, certainly as I understand it there is a CDSMC subcommittee on gambling and they share data through the community and disability services ministerial council subcommittee. In terms of what specific date has been shared, again I would have to speculate on that.

**Senator FIELDING**—Would it be things like how much harm is coming from poker machines, problem gamblers—that sort of data? Does that get raised very often at all?

**Mr Lewis**—There is national data. We have these public stats that we can provide to you.

**Senator FIELDING**—But as members come from the states, it is across the board. Would they bring—

**Mr Lewis**—That has not been a requirement or an activity that the states have been tasked with in the way that perhaps it has been articulated. What has happened is that we have national data that relies on the definition that all states have come to around what problem gambling is. On the basis of that definition there is data, which Ms Farrelly can read out to you or we can provide to you, on what we understand to be the extent and the quantum of what is defined as problem gambling. Would that be useful?

**Ms Farrelly**—I am not sure if the information you are seeking is what I have in front of me. Obviously you would be aware of the amount of money that is lost by gamblers in Australia. We know that in 2005-06 \$17.6 billion was lost by gamblers in Australia—we know that from the Queensland government Office of Economic and Statistical Research. We know how much money is lost on poker machines, being over \$10 billion in 2005-06.

The point you made, as I understand it, Senator, however, was about the issue of harm. The Productivity Commission will be looking at the impact of harm minimisation measures, as Mr Lewis mentioned in the opening statement. One of the important things that the new study will do is to gauge the impact of the measures that are variously put in place around Australia and to then gauge whether those strategies that have been put in place are having an impact on the harm that poker machines cause.

**Senator FIELDING**—The council would obviously know the rough percentages and that over \$10 billion is lost. How much is coming from problem gamblers, do you think?

**Mr Lewis**—We have some figures on problem gambling, again based on an earlier Productivity Commission report, which indicate that at that time, in 1999, there were 290,000 problem gamblers. The Productivity Commission also estimated at that time that problem gamblers spent almost \$3.6 billion per year on gambling. This was estimated again at an average of \$12,000 for each problem gambler, compared with the figure for those gamblers who were not defined as problem gamblers, which was \$650 per gambler. Estimates, again from Productivity Commission data, were that problem gamblers represented 15 per cent of all gamblers, as per the agreed council definition.

**Senator FIELDING**—But in dollar terms? Of the \$10 billion, what percentage of that revenue—not revenue, that lost—

**Mr Lewis**—It is a bit difficult to compare the two, because the \$10 billion is a more contemporary figure, from 2005-06.

**Senator FIELDING**—But based on past percentages, which you would know? The council knows. There are some smart people around the table there.

**Mr Lewis**—I do not know what the figure might be. There has not been a comparison of that data at this time. It depends, really, on the Productivity Commission's new research. They will be able to tell us, of the \$10 billion in more contemporary money that is lost in machines, how much is as a consequence of problem gambling or harmful gambling.

It is also complicated by the fact that your number of machines would have changed in that time, the venues would have changed in that time and the population overall would have changed in the period from 1999 to

2008. So when you are comparing figures like that you are starting to extrapolate a little bit without control measures. You need to factor in all that.

**Senator FIELDING**—I am not really getting any great feel or sense that there is some urgency as to this issue. I appreciate the meetings that have been held. But I think the history does not seem to prove to me that it is all going to actually achieve a lot. That is my view, and I am sure you could counter that view as well. Do you have a target set in mind about how much comes from problem gamblers? We know it is quite high—I think you folks know that too—based on previous figures.

**Mr Lewis**—I think the minister is yet to form a view on that. That would be a policy decision by government. That would not be something for me to say. I understand that no public policy statement about a target for gambling has been issued or decided on. We would certainly not be in a position at this stage to advise on that, not without the Productivity Commission data.

**Ms Farrelly**—On the urgency matter, I can say that after the ministers met and they agreed on the three priority areas working groups were set up to progress those. They are combined committees of both the states and the Commonwealth. Those groups are to report back to the next ministerial council in February. Given the amount of consideration that is required, that is actually a quite short timeframe. That may give you some hope of more urgency, Senator.

**Senator FIELDING**—You said before there was an issue as to precommitment arrangements as to gambling—and that is one of the areas of the bill; I just thought I would pick up that as being one of the areas of the bill. Have you got any more information at all that you would like to share on that issue—precommitments and gambling? I do not want to go and tender one set technology, but is there a precommitment as to a set amount of gambling?

**Mr Lewis**—In the public arena there is discussion about technology such as the South Australian technology that has been implemented. The working groups will look at all technologies that are either in train or being developed, including the machines themselves and access to money and access to all the sorts of technologies. The combination of those technologies and/or solutions will probably be the answer that comes up and is agreed on. But certainly there is no preconceived notion that one framework is the best at this time.

**Senator XENOPHON**—I wish to direct this question to either of you. In relation to the terms of reference for the Productivity Commission inquiry, it is the original terms of reference of the 1999 inquiry and two additional terms. Because I have the benefit of a written submission from you, I know one of them relates to evaluating the success of harm minimisation strategies and the second relates to emerging technologies.

**Mr Lewis**—The effectiveness and success of those measures, being the measures used by state and territory governments.

**Senator XENOPHON**—So that is the first part of the second?

**Mr Lewis**—The first one is the effect of the introduction of harm minimisation measures on the prevalence of problem gambling. The second one is the effectiveness or success of other measures in the broad used by state and territory governments. So one is prevalence and one is the broader strategies used by state and territory governments.

**Senator XENOPHON**—So emerging technologies will not be looked at by the commission?

**Mr Lewis**—It is encompassed. No. 7, on the implications of new technologies, is from the previous terms of reference. It is about the implications of new technologies such as the internet and including the effect on traditional government controls on the gambling industry. So technologies is encompassed.

**Senator XENOPHON**—When were the additional terms of reference determined?

**Mr Lewis**—They were determined in consultation with the states and territories as a precursor to the meeting. There was the opportunity for the states and territories to come back and provide comments on the meeting and on how to go forward. It was agreed, through the COAG process, that they would be the additional terms of reference.

**Senator XENOPHON**—So the additional terms of reference were determined at the time of the COAG meeting on 3 July—is that when they were announced?

**Mr Lewis**—Yes.

**Senator XENOPHON**—I was asked by the minister for feedback as to the terms of reference, but they were already determined after 3 July.

**Mr Lewis**—The terms of reference were agreed, but the states and territories had an option to come back and provide comment on that within a short window after the meeting.

**Senator XENOPHON**—And the short window was how long—a couple of weeks?

**Mr Lewis**—I do not know. We will take that on notice.

**Senator XENOPHON**—In terms of the timing of that and the process involved in determining the further terms of reference, I would appreciate that. There is no time frame for the Productivity Commission to report. My recollection is that when Peter Costello, the former Treasurer, announced the terms of reference for the Productivity Commission inquiry back in 1998 there was actually a time frame for that at that time. Is that your understanding?

**Mr Lewis**—That is my understanding. From the date from which we receive agreement from the Treasurer and the Productivity Commission commence the inquiry, I am sure there would be a similar announced program, which would be consistent with the way the Productivity Commission works. There would be a beginning, end and a draft date that they would agree to, given their work schedule.

**Senator XENOPHON**—But in terms of process when Peter Costello announced that there would be an inquiry into gambling he did set a time frame for the commission to report. As I understand it, it was in the Treasurer's instructions to the Productivity Commission as is set out in the act. Have those instructions been forwarded from the Treasurer to the commission for an inquiry?

**Mr Lewis**—Our understanding is that the Treasurer has a range of expectations in terms of the Productivity Commission's workload and as a consequence of that is deciding on the commencement date and the teams that will work on this. At the time the Treasurer decides that the work can commence on a certain date and what will fit in the work program I am sure that there would be an expectation that he would announce—

**Senator XENOPHON**—So there has not actually been an instruction from the Treasurer to the Productivity Commission at this point?

**Mr Lewis**—I understand that he is talking to them about when they could start.

**Senator XENOPHON**—Okay. This was announced with much fanfare. Has the Treasurer actually instructed the Productivity Commission to commence this inquiry?

**Mr Lewis**—I will take that on notice.

**CHAIR**—The committee can ask the Treasurer's office directly.

**Senator XENOPHON**—You made reference to a five-year time frame to look at a number of issues including gaming machine standards. Have I got that right?

**Ms Farrelly**—Yes.

**Senator XENOPHON**—Firstly, what is the scope of that? Secondly, to what extent will the council's look at gaming machines examine the issue of the random reinforcement schedules and the volatility of machines? Do you want me to elaborate on that?

**Mr Lewis**—I understand the question. The Productivity Commission as an independent body will form its own view about its methodology and how it goes about this consistent with the terms of reference. I am unable to comment on the methodology it will use to go about considering—

**Senator XENOPHON**—Maybe we are talking at cross-purposes. I think you made some mention about a five-year time frame and you made reference to gaming machine standards. Is that to do with the Productivity Commission or the ministerial council?

**Mr Lewis**—The ministerial council has agreed to fund Gambling Research Australia for a further five years. That is a specific body that does gambling research. That is contributed to by the states, territories and the Commonwealth government.

**Ms Farrelly**—On the gaming machine standard matters that you raised, there were three areas that were agreed at the MCG to be priority areas for the work, and the third area is that of gaming machine standards. Ministers agreed that they would develop mechanisms for better consumer protection through the gaming machine standards area. That will be the work of the joint officials committee meeting. They will progress that heading up to the February meeting.

**Senator XENOPHON**—And to what extent will that work involve getting submissions from expert members of the public who are concerned about the two primary issues about what makes up the DNA of

poker machines: the volatility of the machines in terms of when they pay out and after how many games—the power rate that is determined—and also the formula by which machines randomly reinforce players in their annual reinforcement schedules?

**Ms Farrelly**—The method of doing that work has not been determined yet. But, in terms of the making of submissions, that would be consistent with people making submissions as part of the Productivity Commission inquiry.

**Senator XENOPHON**—So there will be an interplay between the Productivity Commission and the ministerial council—is that right?

**Ms Farrelly**—That is not what I said.

**Senator XENOPHON**—Sorry, I misunderstood you.

**Ms Farrelly**—What I was saying is that, in terms of taking submissions about the matters that you have raised, the working group has not yet determined how they will be formulating their forward work plan and formulating the report to the ministerial council in February. You raised the matter of taking submissions from experts in this field, and obviously in considering the matter of problem gambling one of the ways that the Productivity Commission does its work is through submissions, so I am saying that I do know that taking submissions will be part of the way the Productivity Commission does its work. I can tell you that that will be part of the way it does it.

**Senator XENOPHON**—But not necessarily the ministerial council?

**Ms Farrelly**—It has not been determined yet.

**Senator XENOPHON**—If it is determined, Chair, is it appropriate for that further information to be provided to the committee on an ongoing basis?

**CHAIR**—Yes, absolutely.

**Senator XENOPHON**—Even if this inquiry has concluded?

**CHAIR**—We will meet, Senator Xenophon. It is common practice for this committee to keep looking at issues that we have raised, so it could be something we as a committee agreed to do, but it would take a meeting for us. Even without having a formal agreement, we often get that information. It comes to us as a matter of course. That would seem to be something you could recommend to the committee that we do.

**Senator XENOPHON**—Thank you. I have one final line of inquiry. You have referred to the GRA being funded for a further five years. Can you tell the committee what the level of funding will be?

**Ms Farrelly**—Ministers agreed it would be at the same level, but that has not been announced yet.

**Senator XENOPHON**—What would that level be?

**Ms Farrelly**—Can I take that on notice?

**Senator XENOPHON**—Sure.

**Mr Lewis**—It is around \$5 million.

**Senator XENOPHON**—Over five years?

**Mr Lewis**—Over five years.

**CHAIR**—For the information of the committee, could we get a briefing note on Gambling Research Australia—where it is, how many staff, some of the publications? I know some of that will probably be on the website, but I think it would be useful for us.

**Senator XENOPHON**—And, consequential to that and finally, there has been a criticism that gambling research in this country has not been as robustly independent as it should be. Professor Linda Hancock was a former chair of the Victorian gambling reference panel, which was shut down, not by the Kennett government—I think it was the Bracks government. To what extent is GRA independent and free of interference in the work that it does?

**Mr Lewis**—GRA gets contributions from all governments, so in terms of its bias or otherwise it is not funded by one or the other. The biggest contribution is the Australian government's contribution, which is in the order of \$300,000 per annum. So, of the \$5 million, the Commonwealth would be contributing \$1.5 million. In terms of its independence, I am not aware of the criticism of the kind that you have just outlined for Victoria, but certainly—

**Senator XENOPHON**—The panel was shut down.

**Mr Lewis**—One of the issues has been staffing, I understand—to get adequate researchers to do this work within reasonable time frames and then there is availability of staff. It has not had a criticism of bias. The criticism has just been about capacity. I think that has been the only criticism to date.

**Senator BOYCE**—My question—and you might cover this in the material the chair asked about as to Gambling Research Australia—is about the composition of the board, who appoints the members and what interest areas are represented by them. I have also heard criticism as to the fact that they do not represent the whole industry, only parts of it or the regulators.

**Ms Farrelly**—I would be happy to take that on notice.

**Senator BOYCE**—Thank you for that. I have questions following on from Senator Xenophon's questions on the Productivity Commission inquiry. Senator Xenophon, today I actually went onto the website of the Productivity Commission. I went to where it says, 'Upcoming inquiry' and it says that the Treasurer has arranged for the Productivity Commission to update its 1999 inquiry and that you can register to find out when they are going to do something else about it. Ms Farrelly and Mr Lewis, who actually sets those dates? Is it the Treasurer or the Productivity Commission?

**Ms Farrelly**—I think it is the Treasurer. My understanding is that the Department of the Treasury works with the Productivity Commission to determine those priorities and the final decision is the Treasurer's.

**Senator BOYCE**—Okay; thank you.

**CHAIR**—Did you register?

**Senator BOYCE**—I did. I registered, but if they send me too many reports—

**CHAIR**—you can actually give us the information.

**Senator BOYCE**—I am happy to keep the committee updated on that, Chair. We have quite a lot of good initiatives being talked about including single national websites, 24-hour counselling, a national helpline et cetera. Can you please tell me where each of those initiatives is at?

**Ms Farrelly**—Yes. My understanding is that the national 1800 number is live.

**Senator BOYCE**—So it is working?

**Ms Farrelly**—Is that a leading question?

**Senator BOYCE**—By 'live' do you mean it has passed trialling?

**Ms Farrelly**—My understanding is it is live. However, there was a problem in the ACT that has been rectified. The aim is that in each state when you ring this number you get through to your state, but there was a telephone problem in the ACT. My understanding is that has been fixed. But apart from that I think it is—

**Senator BOYCE**—But it is available to the public as it has passed trialling and everything else.

**Ms Farrelly**—Yes.

**Senator BOYCE**—How do I know about that number? How is it being promoted and advertised?

**Ms Farrelly**—The state governments do a lot of their own promotions and public awareness campaigns. My understanding is that they will be doing that through their normal campaigns on problem gambling. For instance, New South Wales has just launched a site targeted at young men called Gambling Hangover through their public awareness campaign.

**Senator BOYCE**—So the promotion of this will be a responsibility of the state governments—is that the case?

**Ms Farrelly**—At this stage there has not been a promotional approach determined nationally.

**Senator BOYCE**—Are you anticipating that there will be?

**Mr Lewis**—It really depends on what the working groups and the next council determine as the take-up rate, I suppose; there would be advice on the take-up rate. If the take-up rate is low and if it is deemed that it is too low, then there would need to be some sort of stratagem to address that. It is a bit hard to determine that main take-up rate.

**Senator BOYCE**—That goes to my next questions. What is the anticipated usage of this helpline? How many calls has it actually received?

**Mr Lewis**—The Community and Disability Services Ministers Conference did some work on this early on across states. Certainly it was trialled in some states. But, in terms of take-up rates, I do not think any targets were set at the original meeting and, as I said, some of the MOUs are to be signed. But it is live. I am sure it will be a matter for discussion at the next council meeting, and take-up rate would be a significant matter that people would be interested in.

**Senator BOYCE**—Where would those statistics go and how often?

**Mr Lewis**—Victoria would have that data, because they were the key state in developing the website.

**Senator BOYCE**—So they are like the lead agency?

**Ms Farrelly**—Yes.

**Mr Lewis**—The administrator, if you want to put it that way.

**Senator BOYCE**—How will those figures be reported?

**Mr Lewis**—That was not discussed at the last meeting as a detailed request.

**Ms Farrelly**—Our understanding is that it would be reported back through the MCG working group.

**Senator BOYCE**—And become publicly available, presumably?

**Mr Lewis**—That would depend on what the minister would like to say about it and how they would like to say it. I cannot see why not.

**CHAIR**—Depending on the minister or on the ministerial council who had that delegation. This is a COAG initiative, is it not?

**Mr Lewis**—It is.

**CHAIR**—From my previous experience of COAG initiatives and trying to get decisions, I think it would have to go back through the COAG process. I would think it would not be the federal minister alone who could make that decision.

**Mr Lewis**—Yes; that is consistent.

**CHAIR**—In terms of information about the hotline, is there a briefing paper we could get about the cost, who has the contract and all that kind of stuff?

**Mr Lewis**—Yes.

**CHAIR**—It would be very useful. I do not want to presume anybody else's questions, but I would like a kind of Senate estimates type response to the initiatives that have been announced, in particular that hotline, because it was mentioned by a couple of the people giving evidence as something they sought. They wanted to see how it operated. We would like the specifics about who got the contract, how it was let, where it is operating and the evaluation process—all those things that we normally ask you for in Senate estimates.

**Senator FIELDING**—And how and where it is provided.

**Mr Lewis**—Yes.

**Senator BOYCE**—Is there information of a similar nature for the website and the counselling service?

**Mr Lewis**—The only proviso that would prevent us providing that to you directly would be our consultation with states and territories. If the contracts are relationships they have, we would have to talk with them about how they do that.

**Senator BOYCE**—Is the website functioning?

**Mr Lewis**—My understanding is that it is. I understand the MOU is yet to be finalised by some states. As a consequence of that change—

**Senator BOYCE**—It would be a single national website?

**Senator FIELDING**—You gave us the number of the hotline. What is the address?

**Ms Farrelly**—The online counselling website does not have an address yet, sorry. It is not live at this point.

**CHAIR**—So the phone service is working but the website is not.

**Senator BOYCE**—How can it be functioning in some states if it does not have an address?

**Ms Farrelly**—The phone line is functioning but the details of the online counselling website are being finalised.

**Senator XENOPHON**—You said the MOU is yet to be finalised in relation to the website. Can you tell us which states have yet to finalise the MOU?

**Ms Farrelly**—I do not have that information at the moment.

**Senator XENOPHON**—Could you take that on notice.

**Mr Lewis**—Part of the problem with that is government changes in some states. But we will come back to you with that information anyway.

**Senator XENOPHON**—There has only been one change, hasn't there—last time we checked?

**Mr Lewis**—No, there are three. There was a WA government change, but New South Wales had a reshuffle and South Australia also had a reshuffle in the period.

**Senator XENOPHON**—I see. So that is taken into account?

**Mr Lewis**—Yes.

**Senator BOYCE**—You say here that there has been more than \$200 million spent on responsible gambling and harm minimisation programs by states and territories over the past five years and give us quite a long list of things that have been done. I am just trying to get some sort of sense of how we will know when we have improved, other than the fact that we have spent more money or time on it.

**Mr Lewis**—There are probably two answers to that. One is that the Productivity Commission work will tell us whether we have improved. The other answer is that the minister has asked the states and territories to provide a snapshot, or a stock take if you will, of activities they have undertaken over time and a summary of the implications of those activities. That is a work in progress, but certainly the minister has tasked the council and the secretariat with putting together a picture of how that is coming together. I understand that her intention is to in some way inform the public about the state of play.

**Senator BOYCE**—But you do not know anything about what that would look like or when it would become available.

**Mr Lewis**—That is for her to decide, but I know that it was certainly her intention to inform the debate in relation to what activities had been undertaken and the views about how effective they had been, historically.

**Senator HUMPHRIES**—There used to be a ministerial council on gaming and racing. This is not a new iteration of that, is it? It used to meet at the same time as major race meetings around the country.

**CHAIR**—Are you speaking from personal experience!

**Senator HUMPHRIES**—I was never on it but colleagues were.

**Mr Lewis**—It sounds like a state council.

**Senator HUMPHRIES**—Yes, it might be. The ACT government some time ago set up a chair in gambling studies at the ANU. Is that chair involved in GRA in any way?

**Mr Lewis**—We will come back to you on that but I suspect not at this stage. We can take that on notice.

**Senator FURNER**—In your introduction you spoke about one of the initiatives of the brief being the limits to accessing cash. During the inquiry we have heard a number of suggestions to do with smart cards and things like that. Could you elaborate more on that particular initiative that you raised?

**Mr Lewis**—I think Senator Fielding was alluding to some of that in his earlier questioning. In terms of the South Australian initiative that is one of a whole range of technological solutions that have been put forward by industry and/or different governments and those concerned about this. Having read the evidence from earlier hearings, some of the solutions will have certain impacts intended or unintended on other industry sectors and on the broader community which need to be considered as part of the whole envelope of what is the best way to do this to address the people who are defined as problem gamblers. In terms of the technology a smart card is certainly in the mix, but whether it is an answer is not for me to determine, that would be determined by the council.

**Senator FURNER**—In gathering your feedback on that particular issue no doubt you will be engaging with the likes of banks and suppliers of those types of ATMs in gaming venues to make sure that the relevant impact is made in this particular area.

**Mr Lewis**—I am sure the working group will be looking at all of the solutions and talking to the bodies that have an interest in these areas. I expect that would be part of their remit. They will come back to the council with a work plan and a proposed approach to what they are going to do and I am sure the council will ask

similar questions to endorse or otherwise their work plan and recommend they talk to certain bodies. It sounds like a sensible path.

**Senator ADAMS**—I am noting that you are involved with the community programs group. As a department do you fund any community groups involved with gambling as far as rehabilitation? Is there any program funding that is available?

**Mr Lewis**—I suspect we do but through broader community support. I do not have any of that information with me.

**Senator ADAMS**—Would you be able to have a look and see whether there is anything?

**Mr Lewis**—We will have a look at that.

**Senator ADAMS**—My second question was: is there any research within the department connecting mental health with problem gamblers?

**Mr Lewis**—We will have a look at that as well.

**Senator FIELDING**—The terms of reference for the Productivity Commission are pretty critical, given that this is a substantial piece of work. The previous report by the Productivity Commission was a breakthrough for Australia, if not for the world. Are we falling into the trap of making it backward-looking and not getting the maximum amount out of it? I would like to see the terms of reference on harm minimisation and the implications of new technology fleshed out. Are those the ones you were talking about?

**Mr Lewis**—No. One of them was on harm minimisation at venues.

**Senator FIELDING**—And the other one was emerging technologies?

**Mr Lewis**—No. Technology was encompassed by No. 7. One of them is on the introduction of harm minimisation measures at gambling venues. The other one is on the effectiveness or success of the measures used by state and territory governments.

**Senator FIELDING**—I think that is really good, but it is what I would call ‘rear vision mirror driving’. Around the world there are already specific initiatives on the table, such as a delay between spins on poker machines. I think Australia would get a lot more out of this Productivity Commission inquiry if it was predictive. The Productivity Commission has vast resources at its fingertips. It should be able to say, ‘If this was done, what would the reduction be?’ It should model it on a harm minimisation. It should make it forward-looking and more predictive. That way, people in Australia cannot say: ‘This doesn’t work. There is no proof around the world.’ I think you can see where I am going with this. We should make it more predictive and then model it in greater detail rather than just having the rear vision mirror stuff. We should not just say, ‘Here is what we’ve been doing over the years, and it has worked or it hasn’t worked.’ We should make it work even harder for all Australians. We should spend the money to do it and make it more predictive and model what would happen if these sorts of things were done one at a time, or in combination or in multiple combinations, so that the amount of money lost by problem gamblers starts to be dramatically reduced. How do we get that into the terms of reference? It is important for this committee and for all Australians to have those sorts of things in the terms of reference.

**Mr Lewis**—There are two things there. One thing is that the terms of reference are a COAG decision. I cannot make a comment on their decision other than to suggest that you communicate your views to the minister. I am sure she will read the *Hansard* and take that into consideration.

**Senator FIELDING**—I have already spoken to Minister Macklin about this.

**Mr Lewis**—The second thing is that the Gambling Research Australia work plan might offer some scope, in terms of their commission, to perhaps extrapolate on the future-thinking issues that you have raised. So, alongside the Productivity Commission inquiry, there might be some scope to influence and think about some of the work that Gambling Research Australia do in terms of that forward-thinking research.

**Ms Farrelly**—The work plan for research is to be based on those three priority areas.

**Senator FIELDING**—To be frank, I am getting pretty nervous about the spending. For the past six or seven years—and even at a hearing of this inquiry in, I think, Sydney—we have been hearing that one of the major players in the industry does not even believe the previous findings by the Productivity Commission. So, rather than relying on previous findings, I think we need to be forward-looking. I think we are going to waste our money here—some really valuable resources.



**Mr Lewis**—I cannot comment on the terms of reference for the Productivity Commission; it is a COAG decision and I cannot do anything in this discussion about that. Have you talked to Minister Macklin? That really is the path to take, Chair.

**CHAIR**—That is absolutely fine, Mr Lewis; we understand your position that you cannot comment. I think Senator Fielding just wanted to get his concerns on the record.

**Senator XENOPHON**—I have a couple of questions. Firstly, can you confirm that, under the constitution of the GRA, the board is composed of members and representatives of ministers; is that right?

**Mr Lewis**—That is not my understanding. There are officials from state and territory governments on the board—if that answers your question.

**Senator XENOPHON**—They make up the board of the GRA, which makes the decisions about research?

**Mr Lewis**—They will have an influence. Bearing in mind our earlier discussion about the spread of funding and ownership of that, it is broad and involves all states and territories.

**Senator XENOPHON**—Sure, but those who make the decisions about research priorities are the members of the board of the GRA. Is that correct?

**Ms Farrelly**—No, those decisions are made by the MCG.

**Senator XENOPHON**—So what role does the GRA have in the context of the MCG decisions as to research priorities?

**Ms Farrelly**—The MCG work plan determines the research areas in which the GRA will conduct their research.

**Senator XENOPHON**—So, basically, the job of the GRA is to implement the wishes of the ministerial council?

**Ms Farrelly**—Yes.

**Senator XENOPHON**—Thank you. Finally, I am looking at the media release from the Ministerial Council on Gambling meeting held in Melbourne on 25 July. Quite a few things were discussed there but I will not go through them all now—the helpline, online assistance, looking at forging a new national commitment to tackle problem gambling et cetera. How much time did the ministerial council take for that meeting?

**Mr Lewis**—It was approximately four hours. The meeting started just before lunch and went right into the afternoon.

**Senator XENOPHON**—Thank you.

**Senator FIELDING**—I would like to get the question of the terms of reference one step further. Is there a way that the Ministerial Council on Gambling could have that issue specifically raised and for you to talk about it at that meeting? I do not want to impose an agenda item, because I think I really cannot do that. Chair, I am not trying to overstep the mark here.

**CHAIR**—Mr Lewis could not do that, Senator Fielding. You could write to Minister Macklin and suggest that it be an item on the agenda but it is not within the department's ability to put an item on the agenda. Senator Xenophon, do you have any further questions?

**Senator XENOPHON**—No, thank you. I think the officers will be getting some information back to us, and I am happy with that.

**CHAIR**—Mr Lewis, I think that is the case; the information we have asked for could lead to further questions in the process.

**Mr Lewis**—Yes.

**CHAIR**—As there are no further questions, I thank the departmental representatives for your availability this afternoon. We do appreciate it. It could well be that we will need to ask you to come back if people have questions after having read the extra information.

**Mr Lewis**—Certainly.

**Ms Farrelly**—Thank you.

**CHAIR**—That ends our committee hearing this afternoon.

**Committee adjourned at 5.08 pm**

