



Australian Government
Productivity Commission

Gambling

Productivity Commission
Inquiry Report
Volume 1

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The Productivity Commission

The Productivity Commission is the Australian Government's independent research and advisory body on a range of economic, social and environmental issues affecting the welfare of Australians. Its role, expressed most simply, is to help governments make better policies, in the long term interest of the Australian community.

The Commission's independence is underpinned by an Act of Parliament. Its processes and outputs are open to public scrutiny and are driven by concern for the wellbeing of the community as a whole.

Further information on the Productivity Commission can be obtained from the Commission's website (www.pc.gov.au) or by contacting Media and Publications on (03) 9653 2244 or email: maps@pc.gov.au



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26 February 2010

Senator the Honourable Nick Sherry
Assistant Treasurer
Parliament House
CANBERRA ACT 2600

Dear Assistant Treasurer

In accordance with Section 11 of the *Productivity Commission Act 1998*, we have pleasure in submitting to you the Commission's final report into Gambling

Yours sincerely

Gary Banks AO
Chairman

Robert Fitzgerald AM
Commissioner

Louise Sylvan
Commissioner

Terms of reference

Australia's Gambling Industries

Productivity Commission Act 1998

I, CHRIS BOWEN, Assistant Treasurer and Minister for Competition Policy and Consumer Affairs, pursuant to Parts 2 and 3 of the *Productivity Commission Act 1998* hereby request that the Productivity Commission undertake an inquiry into Australia's gambling industries and report within 12 months of the date of receipt of this reference. The Commission is to hold hearings for the purpose of this inquiry.

The Productivity Commission could provide an update of the 1999 Productivity Commission report (1-8) and provide some additional research into the impacts of harm minimisation measures (9-10):

1. the nature and definition of gambling and the range of activities incorporated within this definition;
2. the participation profile of gambling, including problem gamblers and those at risk of problem gambling;
3. the economic impacts of the gambling industries, including industry size, growth, employment, organisation and interrelationships with other industries such as tourism, leisure, other entertainment and retailing;
4. the social impacts of the gambling industries, the incidence of gambling abuse, the cost and nature of welfare support services of government and non-government organisations necessary to address it;
5. the contribution of gambling revenue on community development activity and employment;
6. the effects of the regulatory structures – including licensing arrangements, entry and advertising restrictions, application of the mutuality principle and differing taxation arrangements – governing the gambling industries, including the implications of differing approaches for industry development and consumers;
7. the implications of new technologies (such as the internet), including the effect on traditional government controls on the gambling industries;
8. the impact of gambling on Commonwealth, State and Territory Budgets;

Assessment of Harm Minimisation Measures since 1999

9. the impact that the introduction of harm minimisation measures at gambling venues has had on the prevalence of problem gambling and on those at risk; and
10. evaluate the effectiveness and success of these harm minimisation measures used by the State and Territory Governments.

The Commission is to provide both a draft and a final report. The Government will consider the Commission's recommendations, and its response will be announced as soon as possible after the receipt of the Commission's report.

CHRIS BOWEN

[received 24 November 2008]

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Abbreviations

ACCC	Australian Competition and Consumer Commission
ACMA	Australian Communications and Media Authority
AGC	Australasian Gaming Council
CPGI	Canadian Problem Gambling Index
DSM IV	Diagnostic and Statistical Manual of Mental Disorders (4 th edition)
eCOGRA	E-Commerce and Online Gaming Regulation and Assurance
EFTPOS	Electronic Funds Transfer at Point of Sale
EGM	Electronic gaming machine (a ‘poker’ machine)
FaHCSIA	Australian Government Department of Families, Housing, Community Services and Indigenous Affairs
GMNS	Australian/New Zealand Gaming Machine National Standard
GTA	Gaming Technologies Association
IGA	Interactive Gambling Act
IPART	Independent Pricing and Regulatory Tribunal
NOIE	National Office for the Information Economy
PC	Productivity Commission
SEIFA	Social Economic Index for Advantage
SOGS	South Oaks Gambling Screen
TAB	Totalisator Agency Board
VLT	Video Lottery Terminal