

**SUBMISSION OF THE AUSTRALIAN INSTITUTE OF CRIMINOLOGY
TO THE
PRODUCTIVITY COMMISSION
INQUIRY ON AUSTRALIA'S GAMBLING INDUSTRIES**

The Australian Institute of Criminology (AIC), a Commonwealth statutory authority within the Attorney-General's portfolio and Australia's premier criminal justice policy research organisation, is pleased to contribute to the Productivity Commission's inquiry on Australia's Gambling Industries.

The following paragraphs address only a few of the issues raised in the Commission's Discussion Paper.

Regulatory issues

Ideally, regimes for the regulation of each form of gambling should be as similar as possible across the Australian federation, lest a "race to the bottom" result in a degree of permissiveness which invites criminal exploitation.

This is particularly the case with regard to internet-based gambling services, where consumers have unprecedented mobility.

Problem Gambling

The possible vulnerability of Australians with developmental disabilities merits careful attention. There may well be people whom we would encourage to live as full and complete a life as possible in the community, whose understanding of gambling or whose impulse control may be limited. If so, their special needs should be recognised and met by current or future regulatory systems.

There may well be persons who, having committed a criminal act but not suffering any disability, may invoke problem gambling as an excuse. Whilst some criminal activity no doubt does arise from problem gambling, it may be unwise to accept defences without some form of verification.

The implications of new technologies

The issue of protecting children from access to electronic gambling services will be important in any regulated environment. Mechanisms of cost-effective authentication should be devised to prevent unauthorised access to such services. The industry itself is in a position to play an important role in this area.

Similarly, industry is ideally suited to develop mechanisms to ensure the security and integrity of play.

The ability of Australian authorities to regulate internet activity originating overseas is limited. It is neither technologically nor politically feasible for Australian authorities to stop non-Australian jurisdictions offering gambling products which do not meet Australian standards. It might be possible, however, to co-operate with other nations to discourage unfair or otherwise undesirable practices much as the Australian Competition and Consumer Commission works with its counterpart agencies overseas to discourage questionable electronic commerce.

On internet gambling generally, please refer to the AIC's Trends and Issues on the subject. < <http://www.aic.gov.au/publications/tandi/tandi88.html>>

Additional matters

The AIC is planning to convene a conference on gambling regulation in 1999, and would welcome suggestions from the Productivity Commission regarding topics or issues which might be appropriate to canvass at such a forum. The AIC would also welcome suggestions regarding useful topics to address within the AIC's research program.