



RESPONSE TO THE PRODUCTIVITY COMMISSION'S ISSUES PAPER ON AUSTRALIA'S GAMBLING INDUSTRIES

The Productivity Commission's issues paper raises a wide range of issues about gambling in Australia. Many of these issues have already been considered in an ACT context by the ACT Government.

Allen Report

In late April 1998, the ACT Government commissioned the Allen Consulting Group to undertake a national competition policy review of gambling and selected gambling legislation as it applies in the ACT.

The Allen Consulting Group delivered its report (Allen Report) to the Government in June 1998. The report is a public document and provides comments on many subjects raised in your issues paper. However, you should note that the report's recommendations are not necessarily those of the ACT Government which has not yet formally responded to the report.

The Allen Report forms the bulk of the ACT Government's submission to your inquiry. A copy of the Allen Report has already been forwarded to the Commission.

ACT Gaming and Racing Commission

Although the Allen report is not the ACT Government position on gambling related matters, the ACT Government has already acted on the report's recommendations to establish a single gaming regulatory authority (see page xv of the report). Legislation is currently being drafted to establish this authority - the ACT Gaming and Racing Commission - which the Government hopes, subject to the support of the Legislative Assembly, to be fully operational by June 1999. A copy of the Bill establishing the Gaming and Racing Commission is attached.

The functions of the Gaming and Racing Commission will include:

- the regulation and control of gaming, racing and wagering activities to ensure that they are conducted honestly, with integrity and free from criminal influence (including functions currently performed by the Casino Surveillance Authority);
- the consideration and determination of applications for licences, permits and other matters relating to gaming, racing and wagering;
- the conduct of inquiries or hearings, and the issuing of directions to persons or entities concerning gaming, racing and wagering, and related matters;
- monitoring the Voluntary Code of Practice;

- the collection of tax revenue; and
- the audit, inspection and surveillance of ACTTAB operations.

Legislative Assembly Select Committee on Gambling

A Legislative Assembly Select Committee was established in March 1998 to examine the social and economic impacts of gambling in the ACT.

The Government has provided the Select Committee with a copy of the Allen Report for its consideration and the Allen Consulting Group has met informally with the Committee to discuss the issues and recommendations raised in the report. The ACT Government will respond to the Committee's report when it is delivered in early 1999.

On 26 June 1998, the Assembly passed the *Gaming Machine (Amendment) Act (No.2) 1998* which was proposed by the Select Committee. The Act places a limit of 5,200 on the number of poker machines for 12 months from gazettal and continues to place restrictions on the type and location of poker machines. This allows licensed clubs to maintain their monopoly of new machines while hotels are permitted "old" poker machines. No poker machines are allowed in taverns or other premises.

I will forward you a copy of the Select Committee's final report after its (expected) release in March 1998. Ms Fiona Clappin (tel 6205 0490) is the contact person for further information on the Select Committee inquiry's progress.

Report by the Commissioner for ACT Revenue

I am also providing you a copy of a report by the ACT Commissioner for ACT Revenue on the *Contributions made by gaming machine licensees to charitable and community organisations 1 July 1997 to 30 June 1998*. This is the first report by the Commissioner for ACT Revenue on this subject and has been created as a result of a joint industry/Government working party report on the licensed club industry (see attached). The working party's recommendations were released in February 1997 and included a recommendation that gaming machine licensees be required to provide a full disclosure of funding to community groups. Legislation was amended in September 1997 to enact this requirement.

If you have any questions or require further information, please contact Mr Ian Primrose on tel: 6207 5904, fax: 6207 0267, email: ian_primrose@dpa.act.gov.au.

Yours sincerely



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