

SPRINGVALE LEGAL SERVICE INC.

AUSTRALIA'S GAMBLING INDUSTRIES'

SUBMISSION TO PRODUCTIVITY COMMISSION HEARINGS :

25th August, 1999 in Melbourne

In Victoria, there is a need for independent regulation, with a consumer protection focus.

- SLS endorses the Productivity Commission view that problem gambling is a major public health concern. It affects far more lives, results in more family breakdown and more collateral crime, than the AIDS epidemic has ever caused. The solution to this can also be far **less** expensive than the many millions poured into AIDS awareness and research. It involves a relatively inexpensive shift in regulatory emphasis.
- The Victorian Casino and Gaming Authority (V.C.G.A.) which was set up as a prudential regulator with limited autonomy, does not fulfil a consumer protection role in Victoria.
- V.C.G.A. is between a 'rock and a hard place'. It commissions research into problem gambling but, in reality, has insufficient independence, or 'authority' to regulate gambling and gaming from a consumer protection point of view.
- The V.C.G.A. 'culture' is one of financial probity rather than consumer protection. It was never intended to be an active protector of problem (consumer) gamblers their families or their networks. There is no sign that it will be allowed to adopt this role. Without Commonwealth input, it will be permitted only limited initiatives that do not effect government agendas significantly.
- SLS advocates a Productivity Commission recommendation that the V.C.G.A. be allowed a restructure 'window' of 6-9 months in which it (in reality, the State Government) recasts the *Victorian Casino & Gaming Act* to make the V.C.G.A. truly independent of the Minister for Gaming, with a strong consumer protection focus (problem gambler personal representation on its Board).
- If the Victorian Government will not agree to such a clause, SLS urges the Productivity Commission to recommend to the Federal Government that the political process be invoked to transfer all consumer protection aspects of the gambling industry to the Australian Competition & Consumer Commission.