

SUBMISSION TO THE INQUIRY INTO THE *GAMING MACHING AMENTMENT BILL 2011 (ACT)*

Nick Xenophon, Independent Senator for South Australia

- 1.1 I thank the committee for the opportunity to provide a submission on the *Gaming Machine Amendment Bill 2011*. My comments in relation to poker machine reform are widely available, both through the media and in my Additional Comments to reports tabled by the Commonwealth Parliament's Joint Select Committee on Gambling Reform. I have attached these for the committee's reference.
- 1.2 I note that the primary aim of this bill is to introduce a cap of 4000 machines for the ACT. I am concerned that the bill does not include a specific timeframe by which this should occur, and does not make reference to any activities or schemes specifically aimed at reducing the numbers, other than through the natural turnover of machines.
- 1.3 I refer the committee to chapter 14 of the Productivity Commission's report on gambling in Australia. The Commission discusses at length the effect that high accessibility of machines has on problem gambling rates¹.
- 1.4 However, the Commission also states that, although the current caps should not be removed, by themselves they are not the most effective way of reducing problem gambling². In fact, the Commission raises concerns that small reductions in the cap could lead to greater problems, where some players may increase their intensity of play (for example, through larger bets per spin) in response to a reduced number of available machines³. Any reduction of the overall cap needs to be significant in order to be effective.
- 1.5 The Commission lays out a number of measures that Governments should take into account if they intend to use cap reductions as a harm minimisation measure⁴. I strongly encourage the ACT Government to consider these measures.
- 1.6 Further, throughout the report, the Commission discusses strategies that are far more effective when considering harm minimisation, such as mandatory pre-commitment schemes and \$1 bets. If the ACT Government is serious about harm minimisation, the cap proposed in this bill should be only one part of a comprehensive strategy based on best available practice and evidence.
- 1.7 I am available to provide any further evidence the committee requires.



NICK XENOPHON
Independent Senator for South Australia

¹ Productivity Commission, 2010, pg 14.3

² Ibid, pg 14.13

³ Ibid, pg 14.11

⁴ Ibid, pg 14.12