

**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL  
TERRITORY**

**SELECT COMMITTEE ON GAMBLING**

**SECOND INTERIM REPORT**

**ON**

**THE PROPOSED GAMING AND RACING COMMISSION**

October 1998

## **RESOLUTION OF APPOINTMENT**

On 20 May 1998 the Assembly resolved that a Select Committee on Gambling be appointed to inquire into and report by the first sitting day of 1999 on the social and economic impacts of gambling in the ACT, with particular reference to poker machines.

The Assembly further resolved that the committee may make interim reports.<sup>1</sup>

## **COMMITTEE MEMBERSHIP**

Mr Trevor Kaine MLA (Chairman)  
Ms Kerrie Tucker MLA (Deputy Chair)  
Mr Dave Rugendyke MLA  
Mr Bill Wood MLA

Secretary:  
Fiona Clapin

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<sup>1</sup> Minutes of Proceedings No. 11, 23 June 1998

# 1. BACKGROUND

1.1. This is the second interim report by the Select Committee on Gambling. The committee's first interim report, dealing with a poker machine cap in the ACT, was presented to the Assembly on 23 June 1998.

1.2. This report is in response to the Government's recent announcement about the establishment of Gaming and Racing Commission.

1.3. On 8 July 1998, the Government sought comments directly from the Select Committee on Gambling on the report, *Gambling and Related Legislation in the Australian Capital Territory*. This report, by the Allen Consulting Group, was commissioned by the ACT Government in April 1998 to review ACT gambling legislation under national competition policy guidelines. One of the report's recommendations is that the ACT establish a new gambling regulator to replace the Casino Surveillance Authority.

1.4. On 4 October 1998, the Government announced that it intended establishing a Gaming and Racing Commission to regulate all aspects of gambling in the ACT and replace the Casino Surveillance Authority.<sup>2</sup>

1.5. The Chief Minister advised the new regulator would be responsible for gaming-related licenses and permits, the conduct of inquiries and hearings, for monitoring the Voluntary Code of Practice, and for collecting gaming-related tax. It would also monitor the ACT-TAB.<sup>3</sup>

1.6. The Chief Minister further advised that the Government would introduce a Gaming and Racing Control Act later this year to establish the new Commission, define its functions and powers, and provide an umbrella framework for all gaming and racing legislation.<sup>4</sup>

1.7. The committee wrote to the Chief Minister on 8 October 1998 in response to this announcement noting its in-principle support for the proposed authority but requesting more time to consult with key stakeholders about the proposed regulatory structure.

1.8. The committee sought further information on the proposed structure functions, membership, and powers of the commission to enable an informed consideration of the proposal. The committee also requested that the

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<sup>2</sup> 'Government to establish new Gaming and Racing Commission', Press Release from Chief Minister Monday October 1998.

<sup>3</sup> *ibid*

<sup>4</sup> *ibid*

Government defer implementation of the recommendations of the Allen report so the committee could consider their merits in the context of other documents before the committee and to provide the community with an opportunity for input.

1.9. On 20 October 1998, the Chief Minister advised the committee that the Government wished to implement recommendations concerning the regulatory structure as soon as possible, and provided some basic information on the proposed membership, functions, powers, legislative framework and staffing of the new regulator.

## **2. THE COMMITTEE'S VIEW**

2.1. The committee is concerned that the Government wishes to progress the implementation of this new authority without giving adequate time for the Select Committee on Gambling to consult with stakeholders and provide a considered response.

2.2. While the committee has indicated in-principle support for a new gambling regulator and agrees that a regulatory body should be implemented sooner rather than later, it considers the Government appears to be proceeding with unwarranted haste.

2.3. The committee only received information about the proposed regulator on 20 October 1998 and considers that it needs a reasonable amount of time to consider what is being proposed including securing the views of interested organisations and individuals.

2.4. The committee is holding public hearings in November this year and expects to report to the Assembly in early 1999. The committee is of the opinion that no action should be taken towards implementing the new regulatory structure before then.

2.5. The committee notes that the Casino Surveillance Authority's term expires in December this year and that this authority has already been previously extended. The committee suggests a further short-term extension pending implementation of a new regulatory regime.

2.6 The NSW Pricing and Regulatory Tribunal is currently inquiring into the establishment of a regulatory structure in NSW and will make recommendations based on public hearings and consideration of submissions. The Tribunal is due to report in late November 1998, and this committee sees value in considering the outcome of this inquiry as part of the development of a new regulatory structure in the ACT.

2.7. In summary, the committee recognises that because of the complexity of issues relating to gambling regulation, the development of a new regulatory structure is warranted, but that this should only occur after thoughtful consideration of these issues and following input from stakeholders.

### **3. RECOMMENDATION**

**3.1. The committee recommends that the Government defer the introduction of any legislation regarding the powers, structure, functions and membership of a new regulatory body to regulate gambling in the ACT until the Select Committee on Gambling brings down its final report to the Assembly.**

Trevor Kaine MLA  
Chairman  
28 October