

UNDERSTANDING THE GILLARD/WILKIE DEAL

Background: A political deal

- Following the 2010 election and the resulting hung parliament, Independent MP Andrew Wilkie offered his support for Julia Gillard conditional on draconian reforms for poker machine regulation.
- The centrepiece of this regulation is mandatory pre-commitment.
- Mandatory pre-commitment means that every poker machine player show identification and register to obtain a card before they can play. On the card, players must decide what limit they wish to spend. They can set any limit, including no limit.
- Under the Government's proposal, once a player reaches the limit, the card will prevent further play on any poker machine anywhere in the country.
- Prior to the election, the Government had agreed to work with industry in designing poker machine reforms, and all parties supported the introduction of voluntary pre-commitment.
- Ms Gillard agreed to Mr Wilkie's demands without consulting anyone.
- Mr Wilkie has said repeatedly that if the Government does not pass legislation by May 2012, he will withdraw his support for the Gillard Government.

The Proposal Won't Work

- Problem gambling is an important issue that has been addressed by industry in partnership with state and territory governments effectively over many years. More can and should be done.
- However, the Government's Proposal will not help problem gamblers.
- Mandatory pre-commitment has not been trialled anywhere in Australia.
- No cost-benefit analysis has been done. The Government cannot tell us how many problem gamblers will be helped, because the proposal won't work. It is being implemented to appease Mr Wilkie.
- Problem gamblers will be the first people to obtain a card. They will be free to set dangerous, unaffordable limits, or choose to set no limit.
- And even if they set a reasonable limit, once they reach it they are free to continue to spend money on other forms of gambling, including sports betting, casino games and internet gambling.
- Internet gambling is particularly dangerous as it is unregulated, isolated, is available 24 hours a day, and allows betting on credit.

However, It Will Hurt

- The cost to introduce this technology on all poker machines by Mr Wilkie's timetable of 2014 has been estimated at \$3 billion. Most venues will not be able to afford this.

- Recreational gamblers will not bother to register for a card to play. The lost revenue from recreational gamblers will devastate Clubs and pubs.
- Many will have difficulties maintaining employees and servicing debt, and some will shut their doors.
- The thousands of community groups, charities and sporting teams Clubs and pubs support will also be affected. Current funding will be cut dramatically.

What should be done instead?

- The industry and state governments do not support mandatory pre-commitment, because they know it is an expensive, ineffectual policy that will divert resources from proven solutions.
- Problem gamblers need intervention and counselling.
- All industry stakeholders and state governments support the introduction of voluntary, venue-based pre-commitment, as one of a suite of harm minimisation measures aimed to provide maximum support.

Although most of the current activity regarding this debate is happening interstate, we still need your understanding and support if this issue.

Please continue to the vocal about this issue and gain your members and patrons support!