Department of Sociology

University of Macau

Faculty of Social Sciences and Humanities

A Critical Review of The 2009 Australian Productivity Commission (PC) Reforms on Gambling: Why a 'Hybrid Public Health' Model Is Problematic for Consumer Protection.

Dr. Linda Hancock

Deakin University, Associate Professor Director of the Corporate Citizenship Research Unit at Deakin University Director of the Public Policy Masters Program at University of Melbourne Director of Research at the Deakin University Alfred Deakin Research Institute Commissioner on the Victorian Law Reform Commission and Presiding Member on Social Security Appeals Tribunal

25th January, 2010 (Monday)

17:00 - 18:30

L205A

Language in English

The last Productivity Commission (PC) Review of Gambling in Australia in 1999 was a landmark study recommending widespread changes. Over the last decade, despite state governments adopting vocal 'harm minimisation' stances, little has changed and many of the PCs recommendations remain inactive. Net gaming expenditure (player losses) have gone up despite 'harm minimisation' measures – even if the rate of growth has slowed.

This paper outlines the key issues and analyses the underpinning assumptions and the use of language in the PC report. Although medical models have given way to the dominant 'informed choice model', this is still a 'hybrid' public health model that falls far short of a public health/consumer protection model based on recognition of impaired control and the need for consumer safety and re-regulation. The PC emphasis on precommitment leads it to recommend overturning Australia's ban on internet gambling and couching its more radical EGM reforms as reversible (in the event that pre-commitment 'works').

There is wide recognition that Australia's federalist structure (where gambling has been seen as a state responsibility), has led to states doing little that would jeopardize their reliance on gambling taxes. This paper proposes an alternative, that the Commonwealth needs to lead a brave, new approach to addressing the harms caused by gambling and that this can be done via adoption of a National Gambling Risk and Prevention Strategy; using levers within the Commonwealth jurisdiction including incentives to states/territories to reduce their reliance on regressive gambling taxes; changes to consumer protection laws and use of commonwealth financial, ACCC, Australian Crimes Commission and corporations legislation.

ALL ARE WELCOME