## MABC News

#### Xenophon goes to ACCC over gambling reform

Updated 13 minutes ago

Independent Senator Nick Xenophon has lodged a complaint with the Australian Competition and Consumer Commission (ACCC) about a gambling advertising campaign by Clubs Australia and the Australian Hotels Association.

The campaign states the Federal Government's proposed changes affecting gambling would mean people would need to apply for a licence to make a \$5 bet.

Senator Xenophon says the statement and a number of others in the campaign are incorrect and misleading.

"The Hotels and Clubs campaign says gambling reform is un-Australian but what's really un-Australian is for them to be against helping problem gamblers," he said.

Senator Xenophon says he has countered the clubs and hotels' media blitz with a new website <a href="mailto:testable-red">ttsabigfattie.com.au</a>.

Clubs Australia says planned new restrictions would amount to needing a "licence to punt" and it is vowing to campaign until the Government backs down.

Tags: <u>business-economics-and-finance</u>, <u>industry</u>, <u>hospitality</u>, <u>community-and-society</u>, <u>gambling</u>, <u>government-and-politics</u>, <u>federal-state-issues</u>, <u>federal-parliament</u>, <u>political-parties</u>, <u>activism-and-lobbying</u>, <u>minor-parties</u>, <u>australia</u>, <u>sa</u>, <u>adelaide-5000</u>

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# NICK XENOPHON Independent Senator for South Australia AUSTRALIAN SENATE

Our Ref: SAM/NC-EE

Mr Graeme Samuel
Chairman
Australian Competition and Consumer Commission
GPO Box 3131
Canberra ACT 2601

Dear Mr Samuel,

#### Re: Misleading advertisements by Australian Hotels Association and Clubs Australia

I write in relation to the full-page advertisement published in various newspapers nationally by the Australian Hotels Association and Clubs Australia on Monday 11-April 2011 (copy of advertisement attached).

The advertisement was headed "Who Voted For a Licence to Punt?" and made a number of claims about the Government's intention to introduce pre-commitment technology to poker machines in order to tackle problem gambling.

I ask that the ACCC investigate this advertisement, and any associated electronic media advertisements, as a matter of urgency with respect to any potential breaches of the Competition and Consumer Act 2010.

I outline the misleading claims made in the advertisement below and provide supported facts as to why they are misleading.

The advertisement claims that people will "have to apply for a licence just so you can have a \$5 punt" -

- The proposed reforms are directly aimed at poker machines, not on all forms of gambling, which the word 'punt' implies.
- People will not have to meet a test nor qualify to be able to play on a poker machine.
- The reforms will not impact recreational players and certainly will not affect those wanting to play \$5 (or similarly low values) on a poker machine.

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Farilament House CANBEBRA A.C.T. 2600 'I'gl: (02) 6277 3500 Fax: (02) 6277 3000  The reforms are designed to address problem gambling and help those addicted to playing poker machines to better control how much they are willing to lose.

- One of the options being considered by the Joint Parliamentary Gambling Reform Committee, based on the recommendations of the Productivity Commission's 2010 Inquiry Report into Gambling, is for 'low-value cash cards' to be available to recreational players or for low-intensity 'safer' machines to be available for those not wishing to play on a high-risk, high-harm machine on which pre-commitment would be required.

The advertisement implies that the Federal Government has already determined what the technology will be ("If the Federal Government get their way ...") —

- The Joint Parliamentary Gambling Reform Committee has not yet provided its recommendations about what the pre-commitment technology should be or how it will work.
- No legislation has been drafted as yet.

#### The advertisement claims that there will be a "loss of freedom and privacy" -

- Under any pre-commitment scheme, players will still be able to choose how much they are willing to lose and over what period of time. It will not restrict people's ability to play on poker machines.
- The statement implies there will be a central database and player tracking. This is not true. There is no interest in collecting data through the introduction of pre-commitment technology.
- Further, Hotels and Clubs already collect personal details through their loyalty schemes and member cards.

### The advertisement claims there will be a "loss of support to sporting clubs and community groups" –

- The Productivity Commission in its 2010 Inquiry Report into Gambling refers to the community benefits the Clubs espouse they provide.
- The PC says:
   "Gambling venues, particularly clubs, also make significant social contributions. However:
  - many of these benefits are to members, not to the public at large
  - the claimed benefits of gambling revenue on sporting activities and volunteering do not appear strong. Indeed, the presence of gambling may adversely affect volunteering rates
  - the (gross) value of social contributions by clubs is likely to be significantly less than the support governments provides to clubs through tax and other concessions

 given this, there are strong grounds for the phased implementation of significantly lower levels of gaming revenue tax concessions for clubs, commensurate with the realised community benefits."

The statements in the advertisement are blatantly misleading, are designed to misinform the public and do not accurately represent the intention of the proposed gambling reform agenda.

I expect that this misleading advertisement will be published again in newspapers nationally and I understand advertisements for radio and television with similar misleading comments will commence broadcast shortly.

I trust the ACCC will investigate this and any associated advertisements as a matter of urgency and have them withdrawn from publication and/or broadcast, together with any corrective advertising and other appropriate sanctions.

Please do not hesitate to contact us to discuss this matter further. My Senior Adviser, Evelyn Ek, can be reached directly on 02 6277 3551.

Yours Sincerely,

NICK XENOPHON
Independent Senator for South Australia

12 / 04 / 2011