Re-regulating the Gambling Industry: Regulatory Reform in Victoria and New South Wales, 1999–2006

JAN McMILLEN AND JOHN S. F. WRIGHT

The Australian National University

Historically, in Australia, gambling policy and regulation have been the sole responsibility of Australian State and Territory governments. However, in 1998–99 the Commonwealth commissioned an unprecedented national inquiry into gambling that was highly critical of existing gambling policies and regulatory regimes. The Productivity Commission proposed a ‘blue-print’ for an effective, independent gambling regulatory system. Seven years on, this article revisits Australian gambling regulation to present a contextualised account of regulatory reform in Victoria and New South Wales (NSW). It finds that they have taken a markedly different approach to structural reform. Neither State has adopted the Productivity Commission’s ‘ideal’ regulatory model. Reforms have been shaped by local circumstances and government priorities, rather than the regulatory principles and functions outlined by the Productivity Commission.

Background

The rapid growth of commercial gambling in the 1980s to 1990s has presented new regulatory challenges, prompting national governments in five major gambling countries (Australia, USA, United Kingdom, Canada and New Zealand) to initiate inquiries into gambling policies and impacts (Productivity Commission 1999; National Gambling Impact Studies Commission [NGISC] 2001; Gambling Review Report 2001; Markland 2002; Miers 2002; 2004; Campbell, Hartnagel and Smith 2005).

Jan McMillen was Australia’s first professor of gambling research at the Australian Institute for Gambling Research (University of Western Sydney), and subsequently at The Australian National University Centre for Gambling Research. She has special interests in gambling policy and regulation, the study of gambling impacts and social policy. John Wright has a PhD (University of Melbourne, Centre for Public Policy). In 2006 he was appointed to ANU as Research Fellow to assist with the ARC Discovery Program [grant] (McMillen DP044600-28) which supported this research.

The authors express their gratitude to regulators and colleagues who provided information and constructive comments on a draft of this article.

In Australia, in 1998 the Federal Treasurer responded to public protests about mounting evidence of gambling-related social problems and asked the Productivity Commission (PC) to conduct a wide-ranging inquiry into Australia's gambling industries, arguing the need for a better understanding of the economic and social impacts of gambling industries across the country. This was the first national review of Australian gambling and only the second time that the national government had intervened on gambling issues (McMillen, O'Hara and Woolley 1999, 103).¹

Under the *Australian Constitution* the Commonwealth government has no direct role in gambling regulation; gambling policy and regulation have been a 'residual power' and responsibility of States (McMillen et al. 1999).² Even so, the Treasurer's instructions to the PC included analysis of gambling regulatory arrangements and relationships. The PC is the Commonwealth government's principal review and advisory body for microeconomic policy and regulatory matters. Its purpose is to aid the overall economic performance of the Australian economy through higher productivity and to reduce the regulatory burden on industry in a way that is consistent with the Commonwealth's social policy goals (Banks 2005; Regulation Taskforce 2006).

Historically, Australian State governments have taken a much more tolerant approach to the legalisation of gambling than have other countries (McMillen and Eadington 1986). At the same time, legalisation has been associated with a relatively high degree of government regulation (McMillen et al. 1999, 13–18). A process of 'policy learning' between governments has resulted in a range of policies that serve generally agreed regulatory principles (McMillen 1996a; 1996b; Productivity Commission 1999, 13.2–13.4). Overall, Australian gambling regulation has been guided by three core, although often contradictory, objectives: (i) a regulatory imperative to ensure the honesty and integrity of gambling providers and to remove criminal influence; (ii) an economic imperative to provide stable conditions for licensed operators and to collect tax revenue; and (iii) a social imperative to protect consumers (McMillen 1997; Productivity Commission 1999, 12.14).

Most Australian States have controlled and managed market growth by limiting the number of licences, by regulating operating conditions and by limiting advertising for specific forms of gambling. In order to prevent criminal infiltration and to minimise social costs, governments had imposed market entry restrictions through monopoly casino, lottery and totalisator licences. They have also introduced social regulations to protect consumers while simultaneously addressing the economic objectives of tax collection and providing stable conditions for licensed operators (McMillen 1999; McMillen et al. 1999, 45–9).

The PC's 1999 report, however, was highly critical of existing gambling policies and regulatory regimes. The Commission found that:

[T]he current regulatory environment is deficient. Regulations are complex, fragmented and often inconsistent. This has arisen because of inadequate

¹The first occasion occurred in 1901 when the new Commonwealth government sought to prevent interstate lottery sales through the post (McMillen et al. 1999, 103).

²Territories assumed responsibility for gambling on self-government - the Northern Territory in 1978 and the ACT in 1988.

policy-making processes and strong incentives for governments to derive revenue from the gambling industries... ' (Productivity Commission 1999, 3).

Other perceived shortcomings included insufficient statutory independence; divided responsibilities and 'incoherent' regulations; special treatment for certain providers; lack of due process and procedural transparency; little community input; and inadequate information for good decision making (Productivity Commission 1999, 12.7–13.51, 22.1–22.41).

The PC proposed a blueprint for an effective, independent gambling regulatory system incorporating six key functions (Figure 1): *policy development*, addressing 'big picture questions' about legalisation, ownership and accessibility; *control*, including independent decisions on licences, standards and penalties, independent policy advice and (perhaps) deciding appeals; *enforcement*, ensuring compliance with the administrative rules; *adjudication* on appeals against enforcement and control decisions; *revenue assessment and collection* of gambling taxes and duties; and *programs* for support services, research and data collection (Productivity Commission 1999, 22.4).

Importantly, the PC found that gambling should be regulated in a different way from other industries. The 'principal reasons for regulating the gambling

Figure 1. Productivity Commission 1999: A regulatory blueprint. Source: Productivity Commission. 1999. *Australia's Gambling Industries*, Report No. 10. Canberra: AusInfo: 22:39.

industries differently than other industries relate to promoting consumer protection, minimising the potential for criminal and unethical behaviour, and reducing the risks and costs of problem gambling' (Productivity Commission 1999, 22.2). For the PC, gambling is also a 'controversial area' that involves notions of 'community norms'. Governments and regulators are required to make judgements 'about the nature of the public interest' (Productivity Commission 1999, 22.11); therefore, 'government processes should be consultative' (Productivity Commission 1999, 22.29–22.33).

Given the potential for favourable treatment of industry groups and for community harm, the PC concluded that the cornerstone of any 'good' regulatory regime was an independent control authority with 'coverage of all gambling activities' (Productivity Commission 1999, 22.1). Statutory independence was imperative to ensure provision of disinterested, publicly available policy advice and to ensure that regulatory policy was 'more open and better focused on the broader public interest' (Productivity Commission 1999, 22.1). An independent authority could also ensure that gambling legislation was both robust and flexible enough to cope with future changes in the industry or in community attitudes (Productivity Commission 1999, 22.20).

Implications of the PC's findings for State governments were unclear. When releasing the report, the Prime Minister reiterated that gambling regulation had traditionally been a State and Territory responsibility and that the Commonwealth government had no desire to alter this arrangement (Howard 1999). This implied that State and Territory governments had no formal requirement to implement the PC's findings on existing regulatory systems or to apply the proposed 'blueprint'. Nonetheless, the Commonwealth government sought to coordinate a national response to problem gambling and established a Ministerial Council on Gambling with that objective (Commonwealth of Australia 2004; Howard 1999; Minister for Family and Community Services 2001). This strategy mirrored efforts to achieve Commonwealth–State cooperation for nationally consistent regulatory standards in other industries (Banks 2005; 2006, 11; Regulation Taskforce 2006).

Although many industry groups resisted the PC's criticisms, State and Territory governments responded quickly to the PC's report. A 'new regulatory paradigm' began to emerge, most notably in response to social issues like problem gambling and the growing public demand for more democratic and accountable gambling regulation (McMillen 2002). Innovative new policies for harm minimisation and responsible gambling were developed in all jurisdictions (Banks 2002; Hing and Dickerson 2002; Hing and McMillen 2002; McMillen 2002; Queensland Government Treasury [undated]), and changes to regulatory policies and processes were introduced in several States (e.g. IGA 2002; McMillen, Laker and Woolley 2001a; Queensland Government Treasury 2000).

State and Territory governments also began to cooperate on some aspects of gambling regulation. For example, they negotiated a uniform national regulatory framework for cross-border Internet gaming (McMillen and Grabosky 1998).³ National conferences and intergovernmental 'working

³Despite this achievement and contrary to the PC's findings that a well-regulated Internet gambling industry was preferable to prohibition, in 2001 the Commonwealth intervened again to ban Internet gaming licences (McMillen 2000, 2003a, 2003b).

parties' were established to facilitate the exchange of ideas on regulation, responsible gambling and research; and in 2004 the Council of Australian Governments (COAG) agreed, in principle, on a national framework to address problem gambling (Commonwealth of Australia 2004). Nonetheless, in the years following the publication of the PC's report, reports continued to identify breaches of regulation standards and serious defects in regulatory arrangements and corporate practices (McMillen and Woolley 1998; McLellan 2000; Farrell 2002; Dickie 2004).

In 2002, the PC Chairman, Gary Banks, assessed State and Territory responses to the 1999 report with a degree of frustration (Banks 2002). Although harm minimisation programs and the consultative Ministerial Council were a 'step in the right direction', he asserted that there had been 'little progress generally' (Banks 2002, 40). Significantly, he argued that the highest priority for State and Territory governments continued to be 'the need to reform policy making and regulatory governance arrangements' (Banks 2002, 39–40).

Regulatory Reform in Victoria and New South Wales 1999–2006

Four years after Bank's address and 7 years since publication of the PC's 1999 report, it is appropriate to revisit Australian gambling regulation to examine reforms in the context of the PC's 'ideal' regulatory blueprint. To this end, this article presents a contextualised account of regulatory reform in two Australian States – Victoria and New South Wales (NSW). These States have been selected for several reasons, including: they have similar forms of legalised gaming (e.g. a large urban casino located in the capital city; a monopoly lottery licence; and electronic gaming machines (EGMs or 'poker' machines) in clubs and hotels throughout the State); and they were identified in the PC's 1999 inquiry as having the nation's highest levels of gambling participation and problem gambling prevalence.

Our analysis considers the response of Australian State and Territory governments to the PC's critique of their regulatory systems in the context of their respective historical, political, economic and social environments. Each State and Territory retains the political autonomy to shape its own gambling environment and regulatory system. Governments might prefer to implement reforms in ways the PC had not envisaged. On the other hand, they could lack the political will or the capacity for reform.

Historically, several contextual factors have influenced the particular character of Australian gambling regulation and challenged state capacity (McMillen et al. 1999; McMillen 2000; 2003b; 2005). Government priorities and revenue needs, commercial competition and industry consolidation, technological developments, demographic and economic changes, sociocultural factors and competing interests all affect the structure and practice of gambling regulation, as well as reform processes and outcomes. 'State governments' fundamental task of maintaining law and order and social harmony has been central to its control over gambling... [and] fiscal interests of government have played an important role' (McMillen et al. 1999, 5). For example, reduction in Commonwealth funding since the 1970s, together with political reluctance to consider other tax options, have increased State government reliance on gambling revenues (McMillen 1996a; Smith 1998). Consequently, some

governments have reacted to competitive pressures and to industry demands with regulatory and tax concessions (McMillen 1996b; 1998; Productivity Commission 1999).

In this paper we offer a comparative analysis of regulatory reforms introduced in Victoria and NSW since the PC's gambling inquiry and ask three inter-related questions:

1. Whether and to what extent the regulatory reforms conform to the PC's 'blueprint'?
2. What contextual factors have influenced the nature and extent of gambling reforms in each State?
3. What are the general implications for a national approach to Australian gambling regulation.

Regulatory Reform in New South Wales, 1999–2006

In 1998, the NSW regulatory regime for gaming consisted of three agencies (McMillen and Woolley 1998, 4–13):

- The Department of Gaming and Racing (DGR), whose role was to support the Minister in the proper conduct and balanced development of gaming, racing, liquor and charities industries. This function was similar to the PC's *policy development* and *enforcement* roles.
- The Liquor Administration Board (LAB) – a statutory authority appointed by the Attorney General whose role was to maintain technical standards and administer and collect duties on EGMs in clubs and hotels. The LAB was also responsible for approving aspects of EGM hardware and software standards for accreditation. Members of the LAB are magistrates of the NSW Licensing Court, but exercise their powers independently of the Court. In some respects, the LAB's gaming responsibilities were similar to the PC's proposed *adjudication* and *control* functions.
- The Casino Control Authority (CCA), a statutory authority consisting of part-time members and secretariat, also with *control* functions similar to the PC's model. The CCA was responsible for ensuring that gaming at the State's casino is conducted honestly and that management and operation of the casino remain free from criminal influence.

Regulatory roles in NSW were not defined clearly, however, and there was significant overlap and duplication in agency functions (McMillen and Woolley 1998, 4–5). For example, DGR administered all legislation and regulations related to NSW liquor, gaming and racing; it also collected club and hotel gaming duties on behalf of the LAB and provided administrative support and advice to the LAB. And the casino inspectorate responsible for constant monitoring and enforcement of casino regulations was located in the Directorate of Casino Surveillance (DCS), a division of DGR, not the CCA (Table 1).

Furthermore, a separate gaming licence is not required in NSW as it is in other States; the right to operate EGMs is associated with the holding of a liquor licence. Therefore, the NSW Licensing Court, which issues and regulates liquor licensees, has indirect influence over aspects of gaming management in

Table 1. New South Wales 1999: Key regulatory agencies for gaming, lotteries and casino gambling

Agency	Portfolio	Statutory authority?	Main roles in relation to gambling	Coverage of gaming modes	Mainly control or enforcement?	Program administration
Department of Gaming and Racing (incl. Director of Casino Surveillance)	Gaming and Racing	✓	Has overall responsibility for the proper conduct and balanced development – in the public interest – of the gaming, racing, liquor and charity industries	Most	Both	✓
Liquor Administration Board		✓	Administers liquor licences, assesses and collects gaming machine duty in clubs and hotels, approves gaming machine technical standards	Machine gaming in clubs & hotels	Control	✓
Licensing Court of NSW		✓	Responsible for granting liquor licences to hotels and certificates of registration to clubs, both of which may carry entitlements to operate gaming machines; also responsible for issuing licences to gaming machine dealers, sellers, technicians and advisers	Machine gaming in clubs & hotels	Control	✓
Casino Control Authority		✓	Licensing, supervision and control of casino operations, approval of casino games and equipment, etc. Funds and conducts research into casino-related matters	Casino gaming	Control	✓

Source: Adapted from Productivity Commission. 1999. *Australia's Gambling Industries. Final Report: Table 22.1 and Table 22.2.*

clubs and hotels. Breaches of liquor laws and regulations can affect the continuation of a gaming venue's licence and vice versa.

The First Stage of NSW Reform

The PC was not the first independent body to review and recommend changes to gambling regulation in NSW. As a requirement of the *Liquor and Registered Clubs Legislation Amendment (Community Partnership) Act 1998*, the Independent and Regulatory Pricing Tribunal (IPART) conducted an inquiry into an 'appropriate regulatory framework' for the NSW gaming industry and 'the social impacts of gaming' (IPART 1998, 1).⁴ That 1998 review was partly a response to growing criticism of NSW policy by community agencies, such as the NSW Council of Social Services (NCOSS), and widespread media publicity about problem gambling.

Reflecting community concerns about the impact of gaming and increasing numbers of EGMs, IPART's 1998 report suggested a number of harm minimisation strategies for problem gambling, including limiting advertising and cash pay-outs of winnings in clubs and hotels, restricting player loyalty schemes and allowing self-exclusion bans. Industry submissions expressed unanimously a strong preference and capacity for self-regulation to develop their own standards and processes.

IPART also criticised the overlap of functions between the CCA and the DCS and found that that existing gaming regulations were insufficiently coordinated and enforced, and that there were inadequate measures for community consultation and consumer protection (IPART 1998, 27–8). In general, the report concluded that the significant expansion of the NSW gaming industry during the 1990s had created 'the need for a new body to control the industry's direction' (IPART 1998, 27).

Specifically, IPART recommended the establishment of an independent Gaming and Liquor Control Commission (GLCC) and a Gaming and Liquor Agency (GLA). The GLCC, a statutory authority with an independent board and its own budget and staff, would absorb the gaming policy and control functions of the CCA, the Licensing Court and the LAB. The GLA, under direct control of the Minister, would serve as regulatory enforcement body. The GLA would also administer the Casino Community Benefit Fund (CCBF) and direct problem gambling programs to be administered by the Department of Health (IPART 1998, 30–4).

IPART's criticisms of the NSW regulatory regime and recommendations for major structural reform were similar to the PC's subsequent analysis of gambling regulation. The proposed GLCC, for example, mirrored the PC's subsequent proposal for an independent 'control' authority (Productivity Commission 1999, 22.20).

By the time the PC released its 1999 report, the NSW Carr government was already contemplating reforms. Reviews of regulations and corporate practices at Star City Casino had found defects in regulatory arrangements and serious breaches of regulation standards by the casino operators (McMillen and

⁴IPART is a statutory agency that regulates prices of monopoly services in NSW (e.g. gas, electricity and water).

Woolley 1998; McLellan 2000). Amendments to the *Casino Control Act* were made to integrate the Casino Surveillance Division within the CCA – as had been recommended by IPART in 1998.

But the NSW government's proposed measures for gaming reform did not include an independent regulatory authority. Critics such as NCOSS, the parliamentary Opposition and minority party members of the NSW Legislative Council argued that both the PC and IPART had called for 'regulation of gambling to be removed from governments and given to independent gaming commissions' (*Newcastle Herald* 20 July 1999; Robinson 1999). In response, the NSW government indicated it was still considering those recommendations.

Meanwhile, reform recommendations originated from within the regulatory system itself. The LAB foreshadowed regulatory modifications to technical standards for NSW gaming machines aimed at harm minimisation for problem gambling (LAB 2001). The LAB proposed to remove high value note acceptors from EGMs, slow the speed of games and limit the maximum bet on stand-alone machines.

Industry groups opposed the LAB's proposals and the NSW government delayed action on the grounds that there was no evidence to support the changes. In 2001 the NSW gaming industry (Gaming Industry Operators' Group [GIO]) commissioned research to evaluate the LAB's proposals, which found that the proposed modifications would significantly reduce gaming revenue (CIE 2001). Although reducing the maximum bet size 'potentially might, for a small proportion of players, reduce both the development and the severity of gambling problems', removing note acceptors and reducing reel spin would be 'of limited effectiveness in minimising harm' (Blaszczynski, Sharpe and Walker 2001, 9–10). Ultimately, despite criticism of the research (Tse, Brown and Adams 2003), the LAB did not implement the proposed modifications.

In 2001 the NSW Government proposed a package of harm minimisation reforms focused on community concerns about the growing number of EGMs in the State. Harm minimisation was to be achieved by a State-wide cap on EGM numbers (reduced to 104,000) and venue caps (450 machines in newly-licensed venues); clubs with more than 450 EGMs would be required to reduce machine numbers over time. The reform package also placed shutdown restrictions on 24-hour venues, limits on advertising and amended the *Registered Clubs Act 1976* so the LAB could require applicants for EGMs to conduct a social impact assessment (NSW Government 2001; Masterman-Smith 2002).

In announcing the reforms, the NSW government again noted criticisms of the State's regulatory structure but took no immediate action. Rather, it suggested that reforms would provide 'an ideal opportunity for government to look at how the regulatory structure might be made to work better' (NSW Government 2001). However, it signalled that future regulatory change might include a 'revamped' LAB that could 'take into account the recommendations of the IPART report' (NSW Government 2001).

During this process the NSW gaming sector mobilised effectively to defeat initiatives that conflicted with their economic interests (e.g. the LAB's attempt to modify EGM technical standards). Industry objections also blocked proposed EGM tax reforms. In the months following release of the PC's report, the Carr government had announced a temporary 'freeze' on EGM

numbers while it reviewed gaming taxes to bring them into line with other States. The club and hotel sectors strongly opposed any tax increase. When the government eventually announced details of its 2001 reform package, it forecast no changes to the tax regime for 3 years (NSW Government 2001; Wallhead and Greenhouse 2002; IPART 2004, 184).

The industry's ability to obstruct policy change was again demonstrated in 2003–05 when the Carr government tried for a second time to increase EGM taxes to fund the State's acute health and transport infrastructure needs, with large clubs to carry most of the tax burden (DGR 2003a; 2003b; Salusinzky 2006). The clubs' peak association, ClubsNSW, campaigned vigorously against the government with support from sports associations, including a targeted protest at the launch of the National Rugby League season. ClubsNSW also negotiated an agreement with the NSW Opposition Leader to cap EGM tax at current levels and threatened to run an extensive campaign against the government leading up to the next election. Faced with sustained industry protests, in March 2006 the new Premier Iemma compromised with ClubsNSW and reduced the maximum tax rate. Small clubs would pay no EGM tax from 2007.

The Second Stage of NSW Reforms

In 2003, the NSW government commissioned a review of current harm minimisation strategies. Again, industry submissions argued that 'over-regulation' could erode the autonomy necessary for a sustainable gaming sector. IPART again found that NSW lacked a coherent framework for harm minimisation but, contrary to its 1998 report, proposed policy integration within one agency (IPART 2004, 23).⁵ On this occasion IPART recommended that DGR should take responsibility for the 'planning, direction setting and guidance for responsible gambling policy' to promote a 'culture of responsibility' (IPART 2004, 27). DGR should also monitor and evaluate the program. Key government and industry figures, reportedly, received the report with enthusiasm (Wallace 2006), whereas critics argued that IPART's recommendations were 'weak options [that] will make both the State [g]overnment and gaming industry happy' (Stapleton 2004).

The NSW government then asked IPART to prepare a subsequent report on 'governance matters' raised in its recent report. The focus was confined to the 'efficacy of governance structures, excluding the Casino Control Authority, relating to the development and delivery of problem gambling policy and programs' (IPART 2005, 11). 'Core government policies' were explicitly excluded from consideration (IPART 2005, 13). Under these restrictive terms of reference, IPART was to merely assign responsibility for harm minimisation and problem gambling programs in clubs and hotels.

IPART's report reaffirmed its 2004 recommendations to centralise legislative and policy functions in the DGR, arguing that dividing responsibilities between the LAB and the DGR 'fundamentally weakens the development of a more effective policy approach' (IPART 2005, 3). Accordingly, IPART recommended that the DGR should be 'unambiguously' responsible for the

⁵IPART's 1998 and 2004 inquiries were conducted by different teams.

development, administration and evaluation of all policies and programs. The role of all relevant agencies should be redefined to ensure that they were more aligned with DGR policy. IPART proposed that the LAB should reflect the government's harm minimisation policy when deciding technical standards for EGMs; DGR should develop better links with the Department of Health for development and administration of problem gambling counselling programs; and CCBF gambler support programs should be transferred from the CCBF Trust to DGR (IPART 2005, 1–4). The report concluded that the new governance arrangements should be implemented 'as a matter of priority' and that the revised arrangements be reviewed after 5 years (IPART 2005, 4).

The NSW government incorporated most IPART recommendations in the *Gaming Machines Amendment Act 2005* (NSW Government 2005, 10). However, the government rejected IPART's recommendation that the LAB should retain authority over EGM technical standards, instead transferring this responsibility to Director of Liquor and Gaming (NSW Government 2005, 6; LAB 2006, 5, 7). A Special Ministerial Advisory Group, an adjunct of the Club Industry Task Force (CITF), also was appointed to 'support industry reform' (DGR 2005, 2).

Since then, critics argue that the NSW government has 'watered down' a number of harm minimisation measures under pressure from industry (*Daily Telegraph* 30 May 2006). For example, government amendments have allowed 654 gaming venues to be exempted from 'shutdown' requirements (LAB 2006, 25); and in 2006 the government repealed legislation preventing location of gaming clubs adjacent to shopping centres (Pearlman 2006).

The NSW Government has shown no interest in establishing an independent gambling control authority or the separation of regulatory functions as proposed by IPART in 1998 and the PC's 'regulatory blueprint'. The principal result of the 2004 and 2005 IPART inquiries has been to refashion and centralise EGM policies, harm minimisation programs and key regulatory functions into one government department. In 2006, DGR was renamed the Office of Liquor, Gaming and Racing (OLGR). Although the CCA has retained separate responsibility for casino regulation, the government has transferred many former LAB responsibilities for club/hotel gaming to OLGR, reinforcing that department's control over policy, operations and regulation (Figure 2). The enforcement function also is now 'totally independent' of the LAB (LAB 2006, 15). Significantly, the Minister recently announced that LAB's authority to determine applications for EGMs also will be shifted to the Director of OLGR, 'which will put the process beyond public scrutiny but not beyond the lobbying power of the gambling industries' (Moore 2007).⁶

Regulatory Reform in Victoria, 1999–2006

In contrast to NSW, the history of contemporary gaming in Victoria has been characterised by sustained public debate, conflict and frequent structural

⁶At the time of writing, a statutory review of the *Gaming Machines Act 2001*, which is required every 5 years. While the review found that the Act provides protection for vulnerable members of the community, it recommended 'changes that aim to minimise excessive regulation [to] provide much greater certainty for businesses... in the gaming machine industry' (Minister for Gaming and Racing 2007, 9).

Figure 2. Structure of gaming regulation in NSW 2004–05.

^aThese functions are performed by officers of the Office of Liquor, Gaming and Racing (OLGR) on behalf of the Liquor Administration Board (LAB).

- The Director-General is also the Director of Liquor and Gaming, created by the *Liquor Act 1982*.
- The secretary of the Liquor Administration Board is an officer of the OLGR.
- OLGR staff provide support services to the LAB.
- Members of the LAB are also magistrates of the Licensing Court of NSW.

Source: Adapted from Department of Gaming and Racing, 2005. *Annual Report 2004–2005*: 11.

change. Whereas gaming machines had operated in NSW clubs since 1956, EGMs were legalised in Victoria only in 1992 (McMillen et al. 1999, 165–70). Both the ALP and Coalition parties had opposed gaming machines for decades, fearing adverse social effects and regulatory problems. The 1983 Wilcox Report, commissioned by the Victorian government in response to industry pressure for legalisation, had found ‘evidence of poor club management, questionable industry activities and the lack of regulatory controls’ in NSW clubs. That report ‘effectively deferred legalisation of gaming machines for a decade’ (McMillen et al. 1999, 175).

In time, Wilcox’s recommendation that gaming machines should be subject to more stringent regulations than NSW strongly influenced the Victorian government’s approach towards legalisation of EGMs. Victorian gaming policy emulated Queensland’s regulatory model, insofar as an independent statutory authority was established to safeguard the public interest, with specific functions to license venues and key industry participants (McMillen 1997). A variety of administrative instruments and legal provisions were designed to ensure control over market entry and gaming operations. From the outset, for example, the number and distribution of EGMs in Victoria were governed by venue caps, prescribed allocations to metropolitan and country regions, and a State-wide limit.

Consequently, although both States offer similar types of legalised gambling, aspects of the Victorian gaming environment are markedly different from that

in NSW. Gaming machines in Victorian clubs and hotels are uniquely operated by a private duopoly of Tattersalls and Tabcorp, licensed to own and lease EGMs to approved venues, and to operate the centralised monitoring systems (CMS) in their contracted venues. This arrangement and the allocation of an equal number of EGMs to privately-owned hotels as to not-for-profit clubs has been criticised for concentrating EGMs in areas of relative disadvantage (Doughney and Kelleher, 1999; Livingstone, 2001; Doughney, 2002; Marshall and Baker 2002).

The PC also criticised the Victorian regulatory regime. At the time of the PC's inquiry in 1998–99, Victorian gaming regulation was coordinated through the Victorian Casino and Gaming Authority (VCGA), which administered and enforced various legislation listed under the portfolio of the Minister for Gaming (Table 2). Key actors within the Victorian regime were:

- The Victorian Casino and Gaming Authority (VCGA), a statutory authority comprised of part-time members whose primary *control* and *adjudication* functions were to provide for the effective, efficient and honest regulation of the Victorian gaming industry.
- The Director of Gaming and Betting (DGB) and the Director of Casino Surveillance (DCS) were statutory positions within the VCGA, the former responsible for *enforcement* and *administration* of gaming and betting in clubs, hotels and totalisator agencies; the latter for all gambling in Crown Casino. Their role, supported by staff in the Department of Treasury and Finance (DTF), was to assist members of the VCGA in carrying out their responsibilities, including *revenue collection*. However, the two Directors also exercised considerable discretionary power and could advise the Minister and receive ministerial instructions without reference to the VCGA.
- The VCGA also was required to advise the Minister, promote the gaming industry, develop strategies for harm minimisation and foster a culture of responsible gambling (the PC's *policy development* and *program* functions).
- The Office of Gambling Regulation (OGR) was located in the Department of Treasury and Finance (DTF) and provided administrative support to the VCGA and two Directors.

Although the VCGA had been established, ostensibly, as an 'independent' control authority, that agency was responsible for all regulatory functions identified by the PC; that is, policy development, departmental administration, tax collection, enforcement and control. Thus, the VCGA lacked independence from government and public input. For example, the VCGA was required to both promote and regulate the gambling industry; administrators servicing VCGA regulators were departmental staff rather than employees of the Authority; the public was effectively excluded from VCGA regulatory processes; and the powers of the two Directors to advise and receive instructions from the Minister seriously compromised the authority of the VCGA (VCGA 2000–2004; Livingstone 2001; Doughney 2002).

By 1999, following the rapid expansion of EGMs in Victorian clubs and hotels and the opening of Melbourne's Crown Casino, reports of increased gambling problems in the community and other social consequences prompted sustained protests against EGMs and government policy (Mackay 1999).

Table 2. Victoria 1999: Key regulatory agencies for gaming, lotteries and casino gambling

Agency	Portfolio	Statutory authority?	Main roles in relation to gambling	Coverage of gaming modes	Mainly control or enforcement?	Program administration ^a
Victorian Casino and Gaming Authority (VCGA)	Gaming (also Minister for Finance)	✓	Has powers of review, regulation and to fund and conduct research. Grants licences, decides who is suitable to hold a licence, etc. Quasi-judicial. Tasks include making final determination on appeals lodged by external parties against decisions of the Directors. Employees of VCGA, DGB, DCS are government employees (Department of Finance)	All	Both	✓
Director of Gaming and Betting (DGB)	Gaming	✓	Supervises the conduct of gaming, appoints gaming inspectors, detects offences, investigates complaints and collects taxes. Can provide advice to the Minister without reference to the Authority	Machine gaming in clubs & hotels	Both	✓
Director of Casino Surveillance (DCS)	Gaming	✓	Supervises the conduct of gaming and betting in the Casino. Detects offences, investigates complaints and collects taxes. Provided the Authority with recommendations and rules for the conduct of casino games. Can provide advice to the Minister without reference to the Authority	Casino gaming	Both	✓

^aUndertaking or funding counselling, community or research programs.

Source: Adapted from Productivity Commission. 1999. *Australia's Gambling Industries. Final Report: Tables 22.1 and 22.2.*

Informed partly by the VCGA's research program, local governments and church groups protested about the large revenues being generated through EGMs and the negative social impacts. 'The scale and intensity of this public backlash have been distinctive to Victoria' (McMillen et al. 1999, 180).

In contrast to NSW, community groups and local authorities critical of the Victorian government's gaming policies were well-organised, informed and strategic. In 1998, responding to growing Local government requests for information on gambling issues, the Victorian Local Governance Association (VLGA) commissioned its own gambling research (McMillen, Masterman-Smith and Tremayne 2001b; VLGA 2002). Groups such as the VLGA and the Interchurch Gambling Taskforce (IGTF) were active in pressuring government for reform, arguing for the introduction of advertising codes of conduct, community education campaigns, restrictions on EGM numbers in low-income regions, and powers for local councils to determine applications for EGMs in their municipalities (Doughney and Kelleher 1999; IGTF 1997; 2000; 2005; VLGA 2000–2004). Several local authorities also developed their own 'responsible gambling' policies and programs (VLGA 2002; Moreland City Council 2004).

The First Stage of Reform in Victoria

Reform of Victorian gaming policy and regulation was facilitated by a change in government in September 1999. Before the election, the Australian Labor Party Opposition had cultivated support from community, church and local government groups pressuring for reform (Lester 1997). A central feature of the Labor Opposition's electoral platform had been to review the relationship between the Victorian government and gaming operators, and to reassess the rapid growth and associated social impacts of the industry.

The new Bracks Labor government used ministerial discretion to swiftly execute its electoral commitments. The government required operators to install clocks and better lighting in EGM venues; it reaffirmed the State-wide cap on EGMs and announced its intention to impose 'regional caps' restricting the number of EGMs in disadvantaged areas; it prohibited additional 24-hour venues; and removed the VCGA's responsibility to promote gambling-related tourism (*Gambling Legislation [Responsible Gambling] Act 2000*; Saltau and Colebatch 2000).

But these measures did not relieve the public pressure for reform. Community groups continued to call for tougher controls over the industry, arguing that the new government was 'too sluggish' in implementing its gaming policies and was exploiting the issue for political and revenue motives (Saltau and Colebatch 2000; Hayward and Kliger 2002). In March 2001 the Victorian government initiated public consultation on draft 'responsible gambling' legislation. It also sought 'community input into tougher regulation of the gaming industry', inviting 'all Victorians' to contribute to 'how the [g]overnment should regulate the gaming industry' (OPT 2000).

The proposed legislation was designed to complement reforms introduced under ministerial discretion immediately after the 1999 State election. Among new regulations, gaming and casino operators were required to provide meaningful information on payout rates; limits were imposed on industry

advertising; a Gambling Research Panel (GRP) was appointed to oversee research into gambling; and the independence of the VCGA was strengthened (OPT 2000).

The complementary themes of harm minimisation *and* industry regulation echoed the concerns of Victoria's community and Local government groups. For example, the IGTF argued that responsible gambling reforms should 'address the economic rents being enjoyed by the gaming duopoly ... [and] reduce the [S]tate's reliance on gaming taxes' (Hayward and Klinger 2002, 41). The IGTF and community groups also argued that the government should strengthen and redefine the role of the VCGA to ensure 'significant independence and distance from government', so it could independently comment on public policy and engage with Local councils (IGTF 2000, 3). Furthermore, the IGTF argued that Local governments should have primary planning power under gaming legislation (IGTF 2000, 3).

Amendments to the *Gaming Machine Control Act 1991* were introduced that required applicants for EGM licences to submit an impact assessment of 'the net economic and social benefit that will accrue to the community' for consideration by a Tribunal of the VCGA; and Local councils were given an opportunity to submit evidence to the Tribunal on applications for EGMs in their areas.

The Second Stage of Reform in Victoria

The Victorian government continued the process of public consultation focused on harm minimisation and reforms to regulatory arrangements. In November 2003, the government announced a 'second wave' of reforms that 'reflected the [g]overnment's desire to promote responsible gambling and would ensure that Victoria retained the most stringent regulatory structure in the world' (Minister for Gaming 2003a). This second package of reforms emphasised regulatory consistency, transparency and accountability, and significantly restructured the regulatory regime for Victorian gaming.

Eight major pieces of existing legislation were consolidated under a new *Gambling Regulation Act 2003*. That *Act* replaced the VCGA with the Victorian Commission for Gambling Regulation (VCGR) and altered its structure and composition. The OGR, the DGB and the DCS were abolished and their functions transferred to the VCGR (Figure 3); and the OGR was moved from the Department of Treasury and Finance to the Department of Justice (VCGR 2003, 10). Further industry controls were introduced (e.g. a ban on advertising EGM gaming; signage restrictions) and Local governments were given additional input on applications for EGMs. For example, the *Act* permitted Local councils to appeal to the Victorian Civil and Administrative Tribunal (VCAT) for reconsideration of the Commission's licensing decisions (VCGR 2005, 7).

The 2003 reforms also prescribed that future gambling legislation and subsequent regulation must be consistent with six principles, to:

- Develop and reinforce the Victorian government's commitment to responsible gambling through measures that assist and protect problem gamblers and those at risk of becoming problem gamblers, their families and the wider community.

Figure 3. Structure of gaming regulation in Victoria 2004–05. Source: Adapted from Victorian Commission for Gambling Regulation. 2005. *Annual Report 2004–2005*: 17.

- Develop and maintain the State's commitment to the highest standards of probity for gambling service providers.
- Accept that gambling is a valid activity for many Victorians, who are entitled to expect ongoing high standards of service, transparency and accountability from the gambling sector.
- Ensure that the legitimate financial benefits of gambling (both private and public) are transparent, appropriately recognisable and distributed fairly to the Victorian community.
- To the extent possible and consistent with the other principles, gaming service providers should operate in a competitive environment.
- Establish proper consultative processes to ensure that appropriate information is given to, and input is received from, the wide variety of persons interested in gambling, including stakeholders, affected parties and, to the wider extent possible, the broader Victorian community (VCGR 2005, 13).

Community groups welcomed the 2003 reforms (Baker 2003) and over the next 2 years the Victorian government took pride in releasing information that chronicled the apparent success of its initiatives. When 2003–04 figures revealed an annual decline in EGM expenditure, for example, the Minister claimed the downward trend was a result of the government's reforms, noting that the government's approach to responsible gaming 'had been endorsed by the [NSW] Independent Pricing and Regulatory Tribunal' (Minister for Gaming 2004a).

Yet, independent research found few signs of gambling moderation by Victorians over that period. A large Statewide survey (8479 respondents) found that EGM gambling participation had increased to 33.5% of the adult population, up from 30% in 1999, and that over 1% of the adult population (i.e. 15% of regular gamblers) had serious gambling problems (McMillen et al. 2004).

Furthermore, a large majority of Victorians surveyed continued to hold strongly negative views about the community impacts of gambling and expressed strong support for further policy change. The results of that survey confirmed that problem gambling remained an important issue for public policy in Victoria.

Community groups continued to describe the level of gambling expenditure by Victorians as 'horrifying' and stressed that the 'fight against problem gambling was far from over' (Warner 2004). When the Chairman of the VCGR suggested that 'it was wrong to assume there was a problem with gaming in Victoria' and that the industry should be now given greater opportunity for co-regulation, the IGTF declared it was not 'filled with confidence when the new regulatory person is saying the very same thing that the industry says' (Dowling 2004). A newly-formed community lobby group, Community Action on Pokie Problems (CAPP), argued for stronger regulation of the industry because 'it continues to target vulnerable people and it targets them blatantly' (Dowling 2004).

Current Reforms in Victoria

Community pressure for reform did not abate and in October 2004 the Minister introduced 'the next significant step in gaming policy', tripling the government's financial commitment to problem gambling research and community consultation (Minister for Gaming 2004b). Additional changes to Victoria's regulatory system and policy agencies were also introduced in this third period of post-PC reform. The GRP was abolished and replaced by a Responsible Gambling Ministerial Advisory Council (RGMAC) and an Independent Peer Review Panel of academics to advise on policy-relevant research; a Community Advocacy Project, administered by the VLGA, was established to encourage community participation in planning and policy development, and to strengthen local capacity in addressing gambling-related issues. In 2005, responsible gambling functions were moved from the Department of Human Services to the Department of Justice, in order to better align 'service delivery with research and policy' through OGR (Minister for Gaming 2005).

The Victorian government's reform momentum accelerated in the 2006 pre-election climate. A State-wide partnership was established with the VLGA, IGTF and peak industry organisations to promote responsible gambling in local communities (Minister for Gaming 2006b); and the government announced another 5-year package to further improve industry regulation, problem gambling treatment services and community education (OGR 2006a). For example, the VCGR's role will be enhanced to address a broader range of licensing issues and to monitor industry compliance.

The government also began a comprehensive review of the licensing systems for Victoria's lottery, wagering, gaming machine and club keno industries with the objective of ensuring that 'future arrangements are in the long-term interest of Victorians' (Minister for Gaming 2006a).⁷ Although EGM operator licences held by Tattersall's and Tabcorp are not due to expire until 2012, a review of

⁷In December 2006, Tattersall's was granted a temporary 12-month extension of its lottery monopoly until 2008. Following the review, a new licensing policy was announced in April 2008 which will remove the duopoly licences held by Tattersall's and Tabcorp in 2012, introducing a more competitive industry structure (Department of Justice 2008).

those licences will consider whether to extend the duopoly or introduce more competitive licensing arrangements (OGR 2006b; 2006c). This important initiative has sent a clear message to the Victorian gaming industry that the Victorian government's reform program is not yet completed.

Discussion

Although the PC's 1999 inquiry stimulated a period of regulatory reform in NSW and Victoria, neither State government has embraced the PC's proposed model for gaming policies and regulation. The 'cornerstone' of the PC's regulatory blueprint is an independent gambling authority with control over all forms of gambling (to achieve regulatory consistency) and tasked with the objective of furthering the public interest through transparent consultation processes (Productivity Commission 1999, 22.22–22.33). The PC's model proposed institutional separation of regulatory functions, separating policy development, administration and decision making by governments from the control authority's supervision and enforcement of that policy.

By contrast, NSW structural reforms since 1999 have consolidated the core regulatory and operational functions for EGM gaming (policy development, control, enforcement, revenue assessment and program administration) in one central department (OLGR) directly accountable to the Minister. The LAB has lost any former independence from government influence, contrary to the PC's model. The LAB is now dependent on the OLGR secretariat and its principal regulatory tasks have been transferred to that department (Figure 2). Also counter to the PC's proposal of a single authority responsible for all gambling, the NSW government has retained a structural separation between casino regulation (the CCA) and EGM gaming in clubs and hotels (OLGR). The structure and functions of the CCA are largely unchanged.

The Victorian government has taken a different approach to structural reform. In 1999 a centralised 'control' authority was already in place (the VCGA), but existing arrangements had been widely criticised for blurred boundaries between the VCGA's regulatory role, the operational responsibilities of government administrators and the perceived influence of Ministers over regulatory decisions. Current Victorian regulatory arrangements continue to be closer to the 'blueprint' proposed by the PC than those in NSW. Yet, the reforms introduced by the Victorian government have not resulted in independence of the 'control' function from government or a clear separation of regulatory structures and operations, as suggested in the PC's blueprint.

Functions of the new VCGC and departmental officers continue to overlap; and the enforcement and administrative activities of the former DGB and DCS have been amalgamated into one position. If anything, the new office of Executive Commissioner (a public official) has strengthened the relationship between government policy and all regulatory functions (Figure 3).

The process of reform also has been quite different in the two States. Major regulatory reform in NSW has been constrained by three factors: (i) industry resistance to unwelcome changes; (ii) the government's fiscal dependency on gaming revenue; and (iii) its own apparent reluctance to significantly alter institutional arrangements established during 11 years in office. In responding to criticisms from IPART (1998) and the PC (1999), the NSW government's

reforms have been relatively modest, focusing on remedial harm minimisation programs and strengthening departmental coordination of both EGM policy and regulation. By delegating the major task of review and reform to IPART, the NSW government distanced itself from public debate and potential criticism. This strategy also gave the appearance of removing the reform process from industry influence. In effect, the risk of direct confrontation with club and hotel industries was deflected and managed. Yet, on those occasions when the LAB or the government attempted to initiate change directly (e.g. tax reforms), they were the target of determined and successful industry opposition.

The Victorian reform process has been more comprehensive and cumulative, involving consolidation of legislation and gradual restructuring of regulatory relationships, as well as harm minimisation initiatives. Although the Victorian government's reform agenda was inhibited by licensing arrangements with Tattersall's and Tabcorp, its capacity for change and re-regulation was strengthened by evidence of social problems and public interest advocacy. The Victorian government enlisted local communities and councils in the reform process, responding to and harnessing their interests to advance policy objectives. Whereas public interest groups have marginalised in NSW, Victorian reforms since 1999 have been more inclusive of community views and more prescriptive over industry. The organised expression of public opinion and the concerns of local authorities in Victoria have helped shape the government's reform response, providing a crucial regulatory balance to industry perspectives (Sparrow 2000, 41–3).

In contrast, the NSW reform process lacked a sustained forum for community views; local authorities were not routinely consulted; and, unlike the extensive research program in Victoria, there has been little research in NSW since 1999 to monitor public opinion or examine gambling impacts.⁸ Furthermore, whereas the Victorian government was willing to accept a decline in revenue associated with reform, the NSW government was troubled by fiscal imperatives. The economic and political influence of the NSW gaming sector, mobilised strategically to oppose changes that threatened their economic interests, also has been a major constraint on reform. The NSW government's willingness to accommodate industry demands for concessions and its failure to address criticisms of regulatory arrangements also suggest that its own reform agenda was relatively modest and risk-averse from the start.

Regulatory changes by NSW and Victorian governments have been shaped by local circumstances and political priorities, rather than the regulatory principles and functions outlined by the PC. Contextual and State factors have shaped the nature and extent of gambling reforms in each State. Whereas the PC's blueprint is orientated to general notions of 'good governance', NSW and Victoria's reforms have focused more pragmatically on operational concerns and relationships. If NSW and Victoria are any guide, prospects for a consistent national approach to Australian gambling regulation guided by the PC's model seem remote.

Moreover, despite variations between the two States, structural changes introduced by both governments have strengthened, rather than separated, the connection between government policy and regulatory functions. This is

⁸The only NSW gambling prevalence study since 1999 was published in 2007 (ACNielsen 2007).

contrary to the PC's blueprint and recommendation for independent regulatory 'control'. This raises questions about whether these reforms will result in further political influence over regulatory decisions or closer alignment between policy intent and regulatory arrangements to ensure desired outcomes. It also remains to be seen if either State approach will be effective in steering the gaming industry towards wider public objectives, as the PC intended.

References

- ACNielsen. 2007. *Prevalence of Gambling and Problem Gambling in NSW 2006: A Community Survey*. Sydney: NSW Office of Liquor, Gaming and Racing. URL: <<http://www.olgr.nsw.gov.au/pdfs/>>. Consulted 16 July 2007.
- Baker, R. 2003. 'Bill Cracks Down on Pokie Advertising.' *The Age* 7 November: 5.
- Banks, G. 2002. *The Productivity Commission's Gambling Inquiry: Three Years On*. Presentation to the 12th Annual Conference of the National Association for Gambling Studies. Canberra: Commonwealth of Australia. URL: <<http://www.pc.gov.au/speeches/cs20021121/index.html>>. Consulted 21 December 2006.
- Banks, G. 2005. *Regulation-making in Australia: Is It Broke? How Do We Fix It?* URL: <<http://www.pc.gov.au/speeches/cs20050707/cs20050707.pdf>>. Consulted 21 December 2006.
- Banks, G. 2006. *Regulation for Australia's Federation in the 21st Century*. Presentation to the Economic and Social Outlook Conference, November. Canberra: Commonwealth of Australia. URL: <<http://www.pc.gov.au/speeches/cs20061103/index.html>>. Consulted 21 December 2006.
- Blaszczynski, A., L. Sharpe and M. Walker. 2001. *The Assessment of the Impact of the Reconfiguration on Electronic Gaming Machines as Harm Minimisation Strategies for Problem Gambling: A Report for the Gaming Industry Operators Group (GIO)*. Sydney: University of Sydney.
- Campbell, C., T. F. Hartnagel and G. J. Smith. 2005. *The Legalization of Gambling in Canada*. Ontario: The Law Commission of Canada.
- Centre for International Economics [CIE]. 2001. *Gaming Machine Revenue at Risk: The Impact of Three Proposed Modifications to Gaming Machines in NSW. Prepared for the NSW Gaming Industry Operators Group (GIO)*. Sydney: Centre for International Economics.
- Commonwealth of Australia. 2004. *National Framework on Problem Gambling*. URL: <<http://facs.gov.au/internet/FACSIInternet.nsf/aboutfacs/programs/gambling>>. Consulted 1 September 2004.
- Daily Telegraph*. 2004. 'Missing the Chance for a Big Win.' 24 July: 13.
- Daily Telegraph*. 2006. 'New Pokie Payout Rules Under Attack.' 30 May: 9.
- Department of Gaming and Racing [DGR]. 2003a. *Interstate Tax Comparisons*. Sydney: DGR. URL: <<http://www.drg.nsw.gov.au/publications>>. Consulted 28 October 2004.
- Department of Gaming and Racing [DGR]. 2003b. *Government Duty on Commercial Gaming and Wagering*. Sydney: DGR. URL: <<http://www.drg.nsw.gov.au/publications>>. Consulted 28 October 2004.
- Department of Gaming and Racing [DGR]. 2005. *Annual Report 2004–2005*. Sydney: DGR. URL: <<http://www.drg.nsw.gov.au/publications>>. Consulted 28 October 2004.
- Department of Justice. 2008. *Review of Gaming Machine, Keno and Wagering Licences*. URL: <<http://www.justice.vic.gov.au/wps/wcm/connect/DOJ>>. Consulted 12 April 2008.
- Dickie, P. 2004. 'Crown's High-roller Activity 'A Shambles': Federal Court' *Sun-Herald* 8 February: 5.
- Doughney, J. 2002. *The Poker Machine State. Dilemmas in Ethics, Economics and Governance*. Melbourne: Common Ground Publishing.
- Doughney, J. and T. Kelleher. 1999. *Preliminary Local Area Gambling Research: Economic Effects*. Melbourne: Workplace Studies Centre, Victoria University of Technology.
- Dowling, J. 2004. 'Gambling Problems on the Wane, Says New Supremo.' *Sunday Age* 18 July.
- Farrell, B. 2001. 'The McLellan Report: Implications for Casino Regulators?' Presentation to the Australasian Casino and Gaming Regulators' 2001 Conference, June. Darwin: Northern Territory Government.
- Gambling Review Report. 2001. *Gambling Review Report*. Cm 5206. London: The Stationery Office.
- Hayward, D. and B. Klinger. 2002. *Breaking a Nasty Habit? Gaming Policy and Politics in the State of Victoria. A Report Commissioned by the Interchurch Gambling Taskforce*. Melbourne: Swinburne University of Technology.

- Hing, N. and M. Dickerson. 2002. *Responsible Gambling. Australian Voluntary and Mandatory Approaches. Prepared for the Australian Gaming Council*. URL: <<http://www.austgamingcouncil.org.au>>. Consulted 21 December 2006.
- Hing, N. and J. McMillen. 2002. 'A Conceptual Framework for the Corporate Management of Social Impacts of Gambling.' *Business and Society Review* 107.4: 457-88.
- Howard, J. 1999. 'National Approach to Problem Gambling.' *Press Release*, 16 December 1999. URL: <<http://www.pm.gov.au/media/Release/1999/gambling1612.cfm>>. Consulted 16 January 2006.
- Independent Gambling Authority (South Australia) [IGA]. 2002. *Inquiry Concerning Casino Codes of Practice, Report*. URL: <<http://www.iga.sa.gov.au>>. Consulted 12 December 2005.
- Independent Pricing and Regulatory Tribunal of New South Wales [IPART]. 1998. *Inquiry into Gambling in NSW*. Sydney: IPART.
- Independent Pricing and Regulatory Tribunal of New South Wales [IPART]. 2004. *Gambling: Promoting a Culture of Responsibility*. Sydney: IPART. URL: <<http://www.ipart.nsw.gov.au/files/Gambling04.pdf>>. Consulted 12 December 2005.
- Independent Pricing and Regulatory Tribunal of New South Wales [IPART]. 2005. *Gambling: Promoting a Culture of Responsibility: Consequential Report on Governance Structures*. Sydney: IPART. URL: <<http://www.ipart.nsw.gov.au/files/Gambling05.pdf>>. Consulted 12 December 2005.
- Interchurch Gambling Taskforce [IGTF]. 1997. *Fact Sheet. 2 May 1997*. URL: <<https://secure.sanctum.com.au/gambling-taskforce/facts.html>>. Consulted 22 November 2006.
- Interchurch Gambling Taskforce [IGTF]. 2000. *Responsible Gambling Consultation Paper. Response by the Interchurch Gambling Taskforce*. Melbourne: Interchurch Gambling Taskforce.
- Interchurch Gambling Taskforce [IGTF]. 2005. *Submission to the Regional Electronic Gaming Machine Caps Review Panel*. Melbourne: Interchurch Gambling Taskforce. URL: <<http://www.justice.vic.gov.au/CA2569020010922A/page/Gaming+and+Racing-Regional+Gaming+Machine+Caps+Review>>. Consulted 12 December 2005.
- Lester, L. 1997. 'The Things That Trouble Tim.' *The Age*, 16 May, 3.
- Liquor Administration Board [LAB]. 2000. *Annual Report 1999-2000*. Sydney: Liquor Administration Board.
- Liquor Administration Board [LAB]. 2001. *Review of the Liquor Administration Board Technical Standards for Gaming Machines and Subsidiary Equipment in New South Wales: Gambling Harm Minimisation and Responsible Conduct of Gambling Activities First Determination*, April.
- Liquor Administration Board [LAB]. 2006. *Annual Report 2005-2006*. Sydney: Liquor Administration Board.
- Livingstone, C. 2001. 'The Social Economy of Poker Machine Gambling in Victoria.' *International Gambling Studies* 1(1): 45-66.
- Markland, J. 2002. 'Gambling Policy in New Zealand.' In *Gambling in New Zealand*, ed. B. Curtis. Wellington, New Zealand: Dunmore Press.
- Marshall, D. and R. Baker. 2002. 'The Evolving Market Structures of Gambling: Case Studies Modelling the Socioeconomic Assignment of Gaming Machines in Melbourne and Sydney, Australia.' *Journal of Gambling Studies* 18: 273-91.
- Masterman-Smith, H. 2002. 'Comparative Analysis of Gambling Impact Assessment Policies in Australia.' In *Culture and the Gambling Phenomenon. Proceedings of the National Association for Gambling Conference*, ed. A. Blaszczyński. Sydney: National Association for Gambling Studies.
- Mckay, S. 1999. 'Gambling Regulator under Fire'. *The Age* 24 July: 5.
- McLellan, P. 2000. *Report of the Investigation Pursuant to Section 31 of the New South Wales Casino Control Act 1992*. Sydney: NSW Casino Control Authority.
- McMillen, J. 1996a. 'Gambling as an Industry.' In *Place Your Bets. Gambling in Victoria*, eds M. Cathcart and K. Darian-Smith. Melbourne: The Australian Centre, University of Melbourne.
- McMillen, J. 1996b. 'Risky Ventures: Casino Regulation in a Changing Market.' In *Lady Luck in Australia*, eds J. McMillen, M. Walker and S. Sturevska. Sydney: National Association for Gambling Studies.
- McMillen, J. 1997. 'Social Priorities in Gaming Policy: Case Studies from Two Australian States.' In *Public Policy, The Social Sciences and Gambling*, eds W. Eadington and J. Cornelius. Reno, NV: Institute for the Study of Gambling and Commercial Gaming, University of Nevada.
- McMillen, J. 1998. 'Market Competition: A Sound Foundation for Gambling Policy?' In *Responsible Gambling. Towards 2000*, ed. G. Coman. Sydney: National Association for Gambling Studies.
- McMillen, J. 1999. 'Australian Gambling: A Conflict of Values.' *Values* (Summer). New College Institute for Values Research, the University of New South Wales: 1-6.
- McMillen, J. 2000. 'Online Gambling. Challenges to Regulation and National Sovereignty.' *Prometheus* 18(4): 391-401.

- McMillen, J. 2002. 'New Zealand's Gambling Policy: Comparative Reflections.' In *Gambling in New Zealand*, ed. B. Curtis. Auckland: Dunmore Press.
- McMillen, J. 2003a. 'Online Gambling.' In *E-commerce and Law*, 2nd edn, eds J. Forder and P. Quirk. Brisbane: Wiley Jacaranda.
- McMillen, J. 2003b. 'From Local to Global Gambling Cultures.' In *Gambling. Who Wins? Who Loses?* ed. G. Reith. London: Prometheus Books.
- McMillen, J. 2005. 'Trends in Gambling Regulation: Rationales, Risks and Responses.' In *Proceedings of the Inaugural Conference of the Asian Academic Network on Commercial Gaming*, ed. Ricardo Siu. Macau: University of Macau.
- McMillen, J. and W. R. Eadington. 1986. 'The Evolution of Gambling Laws in Australia.' *New York Journal of International and Comparative Law* 8(1): 167-92.
- McMillen, J. and P. Grabosky. 1998. *Internet Gambling: Issues and Trends*. Canberra: Australian Institute of Criminology.
- McMillen, J., L. Laker and R. Woolley. 2001a. *Gambling Regulatory Regimes: A Review of the Regulatory Structures, Powers and Processes Governing Australia's Gambling Industries*. Sydney: Australian Institute of Gambling Research.
- McMillen, J., D. Marshall, E. Ahmed and M. Wenzel. 2004. *Victorian Longitudinal Community Attitudes Survey*. Melbourne: Gambling Research Panel.
- McMillen, J., H. Masterman-Smith and K. Tremayne. 2001b. *Final Report of the Methodology Project for the Victorian Local Governance Association*. Sydney: Australian Institute of Gambling Research.
- McMillen, J., J. O'Hara and R. Woolley. 1999. *Australian Gambling: Comparative History and Analysis*. Melbourne: Victorian Casino and Gaming Authority.
- McMillen, J. and R. Woolley. 1998. *Report on Gambling Regulatory Regimes. Report to Independent Pricing and Regulatory Tribunal*. Sydney: Australian Institute of Gambling Research.
- Miers, D. 2002. 'OFGAM? OFBET? The Regulation of Commercial Gambling as a Leisure Industry.' *Entertainment Law* 1(1): 20-51.
- Miers, D. 2004. *Regulating Commercial Gambling. Past, Present, and Future*. Oxford: Oxford University Press.
- Minister for Family and Community Services. 2001. 'National Advisory Body on Gambling Announced.' *Media Release from Minister for Family and Community Services*, 28 April 2001. URL: <<http://www.facs.gov.au/internet.minfacs.nsf/2b0cec5b0d72d933ca2569e700143ed7/9>>. Consulted 22 October 2002.
- Minister for Gaming. 2003a. 'Bracks Government Introduces Gaming Reform Package.' *Media Release from the Minister for Gaming*, 6 November 2003. URL: <http://www.dpc.vic.gov.au/domino/Web_Notes/newmedia.nsf/b0222c68d27626e2ca256c8c001a3d2d>. Consulted 21 December 2006.
- Minister for Gaming. 2003b. 'New Figures Show Annual Gaming Spend Down.' *Media Release from the Minister for Gaming*, 8 August 2003. URL: <http://www.dpc.vic.gov.au/domino/Web_Notes/newmedia.nsf/955cbeae7df9460dca256>. Consulted 21 December 2006.
- Minister for Gaming. 2004a. 'Victorian Poker Machine Expenditure Continues to Fall.' *Media Release from the Minister for Gaming*, 23 July 2004. URL: <http://www.dpc.vic.gov.au/domino/Web_Notes/newmedia.nsf/955cbeae7df9460dca256>. Consulted 21 December 2006.
- Minister for Gaming. 2004b. '\$26.7 Million and a New Focus on Responsible Gambling.' *Media Release from the Minister for Gaming*, 14 October 2004. URL: <http://www.dpc.vic.gov.au/domino/Web_Notes/newmedia.nsf/955cbeae7df9460dca256>. Consulted 13 November 2006.
- Minister for Gaming. 2005. 'New Move to Enhance Responsible Gambling.' *Media Release from the Minister for Gaming*, 4 July 2005. URL: <http://www.dpc.vic.gov.au/domino/Web_Notes/newmedia.nsf/798c8b072d117a01ca256>. Consulted 21 December 2006.
- Minister for Gaming. 2006a. 'Government Starts Review of State Gambling Licences.' *Media Release from the Minister for Gaming*, January 4 2006. URL: <http://www.dpc.vic.gov.au/domino/Web_Notes/newmedia.nsf/8fc6e140ef55837cca256c8c00183cdc/2ebdf9bbf6797379ca2570ed00006f61!OpenDocument>. Consulted 21 December 2006.
- Minister for Gaming. 2006b. 'Victoria Launches State-wide Partnership Campaign on Responsible Gambling.' *Media Release from the Minister for Gaming*, 4 January 2006. URL: <http://www.dpc.vic.gov.au/domino/Web_Notes/newmedia.nsf/955cbeae7df9460dca256c8c00152d2b/c7fad92f30d836f0ca25719300002bd8!OpenDocument>. Consulted 21 December 2006.
- Minister for Gaming and Racing. 2007. *Report on the Five-Year Statutory Review of the Gaming Machines Act 2001*. Sydney: NSW Government. URL: <http://www.olgr.nsw.gov.au/legislation_review_gaming.asp>. Consulted 12 April 2008.
- Moore, G. 2007. 'NSW Inaction is Playing with Fire.' *Sydney Morning Herald* 24 January: 16.
- Moreland City Council. 2004. *Review of the Responsible Gambling Strategy 1998*. Brunswick, Vic.: Moreland City Council.
- National Gambling Impact Studies Commission [NGISC]. 1999. *National Gambling Impact Study Commission Report*. Washington DC: National Gambling Impact Study Commission.

- Newcastle Herald. 1999. 'Gambling Billions.' (Editorial). 20 July: 6.
- Northern Territory Government. 2001. *Australia: Uniform Standards for the Regulation of Interactive Gambling [AUSModel]*. Darwin: Northern Territory Government.
- NSW Government. 2001. *Gaming Reform Media Release from Department of Gaming and Racing*. 26 July 2001. URL: <<http://www.dgr.nsw.gov.au/publications>>.
- NSW Government. 2005. *Towards a Culture of Responsibility in Gambling. Response by the NSW Government to the Reports of the Independent Pricing and Regulatory Tribunal*. Sydney: NSW Government.
- Office of Gaming and Racing [OGR]. 2006a. *Taking Action on Problem Gambling. A Strategy for Tackling Problem Gambling in Victoria*. Melbourne: State of Victoria, Department of Justice.
- Office of Gaming and Racing [OGR]. 2006b. *Gambling Licences Review*. URL: <<http://wps/connect/DOJ+Internet/Home/Gaming+and+Racing/Gaming+Licence+Review>>. Consulted 21 December 2006.
- Office of Gaming and Racing [OGR]. 2006c. *Public Consultations on Gaming Machine Licence Arrangements Post-2012*. URL: <<http://www.justice.vic.gov.au/wps/wcm/connect/DOJ+Internet/Home/Gambling+and+Racing/Gambling+Licences+Review/JUSTICE++Public+Consultations>>. Consulted 21 December 2006.
- Office of the Premier and Treasurer [OPT]. 2000. 'Bracks Government Introduces Australia's Toughest Gaming Legislation.' *Media Release from the Office of the Premier and Treasurer*, 1 March 2000. URL: <<http://www.dpc.vic.gov.au/domino/Web>>> http://www.dpc.vic.gov.au/domino/Web_Notes/MediaRelArc02.nsf/17ed9415cb17e3d34a25682500254734/c2172ca21b3c41744a25689400827e53!OpenDocument>. Consulted 16 January 2006.
- Pearlman, J. 2006. 'Emma Sneaks Pokies into Shopping Malls.' *Sydney Morning Herald*, 30 December: 3.
- Productivity Commission. 1999. *Australia's Gambling Industries*, Report No. 10. Canberra: AusInfo. URL: <<http://www.pc.gov.au/inquiry/gambling/finalreport/index/html>>. Consulted 21 December 2006.
- Queensland Government Treasury. (undated). *Queensland Responsible Gambling Strategy, A Partnership Approach*. URL: <<http://www.treasury.qld.gov.au>>. Consulted 12 December 2005.
- Queensland Government Treasury. 2000. *Policy Direction for Gambling in Queensland*. URL: <<http://www.treasury.qld.gov.au>>. Consulted 12 December 2005.
- Regulation Taskforce. 2006. *Rethinking Regulation: Report of the Taskforce on Reducing Regulatory Burdens on Business*. Report to the Prime Minister and the Treasurer Canberra: Regulation Taskforce.
- Robinson, M. 1999. 'Carr Backs Away from Curb on Gambling.' *The Sydney Morning Herald* 16 September: 3.
- Salt, C. and T. Colebatch. 2000. 'Why Victoria is Hooked on Gambling.' *The Age* 26 February: 1.
- Salusinszky, I. 2006. 'Premier Strikes Deal on Pokie Tax.' *The Australian* 27 March: 3.
- Smith, J. 1998. *Gambling Taxation in Australia*. Canberra: Australian Tax Research Foundation.
- Sparrow, M. 2000. *The Regulatory Craft: Controlling Risks, Managing Problems and Managing Compliance*. Washington DC: The Bookings Institution.
- Stapleton, J. 2004. 'Warning to Problem Gamblers: Clock Off.' *The Australian* 24 July: 5.
- Tse, D., R. Brown and P. Adams. 2003. *Assessment of the Research on Technical Modifications to Electronic Gaming Machines in NSW, Australia*. Auckland: Auckland University, Centre for Gambling Studies.
- Victorian Commission for Gambling Regulation [VCGR]. 2003. *Annual Report 2002-2003*. Melbourne: VCGR.
- Victorian Commission for Gambling Regulation [VCGR]. 2005. *Annual Report 2004-2005*. Melbourne: VCGR.
- Victorian Local Governance Association [VLGA]. 2000-2004. *Gambling Research Newsletter* (various issues). Melbourne: Victorian Local Governance Association.
- Victorian Local Governance Association [VLGA]. 2002. *Gambling: Counting the Costs. Local Governments on Assessing the Community Impacts of Gambling*. Melbourne: Victorian Local Governance Association.
- Wallace, R. 2006. 'Pokies Critics Slam Review Head.' *The Australian* 5 January: 2.
- Wallhead, E. and D. Greenhouse. 2002. 'Summary of the New Gaming Machines Act in New South Wales.' *Gaming Law Review* 6(4): 309-12.
- Warner, M. 2004. 'Smoking Bans a Drag on Profits.' *Herald Sun* 30 July: 12.