



Comment

on the review of the Lotteries Act 1964

**March
2005**

INTRODUCTION

ACTCOSS acknowledges that modern day Canberra has been built on the traditional lands of the Ngunnawal people. We pay our respects to their elders and recognise the displacement and disadvantage they have suffered since European settlement. ACTCOSS celebrates the Ngunnawal's living culture and valuable contribution to the ACT community.

The ACT Council of Social Service Inc. (ACTCOSS) is the peak representative body for not-for-profit community organisations, people living with disadvantage, and low-income citizens of the Territory. ACTCOSS is a member of the nationwide COSS network, made up of each of the state Councils and the national body, the Australian Council of Social Service (ACOSS).

ACTCOSS's objectives are representation of people living with disadvantage, the promotion of equitable social policy, and the development of a professional, cohesive and effective community sector.

The membership of the Council includes the majority of community based service providers in the social welfare area, a range of community associations and networks, self-help and consumer groups and interested individuals.

ACTCOSS receives funding from the Community Services Program (CSP) which is funded by the ACT Government.

LOTTERIES AND HARM MINIMISATION.

The Lotteries Act 1964 has been amended numerous times since it was introduced as a Federal ordinance, and since that time the concept of a lottery has changed significantly with many forms of lottery now becoming part of everyday commerce. For example, advertising aimed at children that offer prizes for entry in trade promotions, scratchies, lotto-style games and lucky badge draws at clubs. While the charity raffle has survived and thrived, the star bowkett has been replaced by more regulated forms of lending. People who would have a flutter on the horses with a local bookie now have a wide array of instant lotteries to satisfy the craving for the thrill of possible windfall.

ACTCOSS believes that the Gambling and Racing Commission is approaching the task of bringing the legislation up to date in an informed and co-operative fashion. However ACTCOSS would like to see references to the need to include harm minimisation in all aspects of gambling regulation. As such, it would be good to see the empirical evidence for lotteries-related harm, or lack of it in the wider community.

Lottery operators overseas are accepting that, despite the comparatively low incidence of problem gambling among lottery participants, there is a need to reduce harm from this form of gambling. (See articles at: http://www.camh.net/egambling/issue7/opinion/lotteries_problemg am.html) While it is accepted that gaming machines and sports betting are more prevalent in problem gambling studies, there is growing concern that lotteries may form a different sub-set of gambling problems among a different cohort.

There is also concern about lotteries expressed in the research on gambling pathways for young people. For example:

In the United States and Canada as many as 15.3 million 12–17 year olds have been gambling with or without adult awareness or approval, and 2.2 million of these are experiencing serious gambling-related problems. Lottery play dominates legalized forms of gambling among juveniles in both the United States and Canada. Trends between 1984–1999 indicate a substantial increase in the proportion of juveniles who report gambling within the past year, and a parallel increase in the proportion of juveniles reporting serious gambling-related problems. Yet, there continues to be little public awareness or concern about the extent, or the potential hazards associated with juvenile gambling.

(Juvenile Gambling in North America: An Analysis of Long Term Trends and Future Prospects. Durand F. Jacobs, 2000)

The Centre for Gambling Studies at the Australian National University is conducting research into the gambling pathways for young people in the Australian context, including the Canberra region. While that research is underway, it would appear prudent to clarify the role of lotteries and raffles in the lives of young people within the legislation.

ACTCOSS would therefore suggest that the definition of lotteries include a statement that, unless specifically mentioned, the term lottery applies to gambling activities restricted to persons over the age of 18. The legislation could then set conditions, including suitability of prizes, for raffles and other lottery-type activities that can be available for young people to participate in. This could be strengthened with a cross reference to the Charitable Collections Act 2003.

Such a statement would ensure that those who run lotteries are aware of their social obligations to reduce potential harm.

We are also concerned that the regulation of trade promotions does not include disclosure. It is still noticeable around the city that there are offers of prizes for trade promotions that do not disclose that these are little more than opportunities to obtain contact details for direct marketing campaigns. People taking part in such promotions should be provided with information that allows them to make an informed decision as to whether they wish their contact details used in that way, and what the extent of that use will be. Such declarations are required of businesses under the Privacy Act, but at the recent Canberra Show there was no indication that these provisions have impacted on trade promotions to date.

This principle of disclosure should also be applied to the other forms of lottery, as it does under the Charitable Collections Act 2003 for charity raffles. Under that act, ticket sellers must display information identifying the charity on whose behalf the raffle is being conducted, the total number of tickets to be sold, and other details to verify the bona fides of the activity. Similarly, lottery activities should also provide details of whether the lottery is a corporate or charitable event, the return to the gamblers taking part, and other relevant details.

ACTCOSS is pleased that there is consideration of the public interest in the proposed amendments. This needs to be bolstered with some discussion of who becomes the arbiter of the public good. In the current environment where gambling has been located within a portfolio of Economic Development, there needs to be transparent analysis of public good in terms of harm minimisation. While

ACTCOSS comment on the review of the Lotteries Act 1964

ACTCOSS is confident that the Gambling and Racing Commission is able to make these assessments, it will need to be an open and consultative process that establishes community norms as the benchmark for public interest tests.

ACTCOSS is interested in the changes that remove the obligation for approval for prize pools over \$2,000. It is not clear from the discussion paper how these lottery activities will be policed, given that there is an opportunity for exploitation if an activity is not regulated because the prize is under a certain value.

This raises the former regulation of raffles as "in house" or external. In house raffles were conducted within a defined population, for example the badge draws at clubs or school raffles. Raffles and draws that were conducted in the public arena were required to have a licence, but fees could be waived. It would be helpful for the Gambling and Racing Commission to clarify if this distinction is best located in this legislation, or if it is only relevant to fundraising activities regulated by the Charitable Collections Act 2003.

ACTCOSS' only other queries relate to the development of regulations under the proposed Act. It would be informative to know if tipping competitions, electronic Keno games and raffles will have their own regulations under the proposed act, or if these are adequately covered elsewhere.

ACTCOSS appreciates the opportunity to comment on the review of the Lotteries Act 1964. It is pleasing to see the Commission taking a serious look at old legislation that has been overtaken by technology and innovation. We look forward to reading the proposed legislation and having the opportunity to participate in the consultation process prior to tabling.