



DAVID MORRIS MP
Member for Mornington

Casino Legislation – Tight Regulation Essential

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Mr MORRIS (Mornington) (11:27): I am pleased to have the opportunity to join this debate on the Casino and Liquor Legislation Amendment Bill 2022.

Of course, as page 1 tells us, we are amending the Casino Control Act 1991, the Gambling Regulation Act 2003, the Liquor Control Reform Act 1998 and the Victorian Gambling and Casino Control Commission Act 2011.

I should also, before I go on, declare an interest as a director of the Victorian Responsible Gambling Foundation, appointed by the Parliament. But I did want to make the point, in terms of a disclaimer at least, that my comments today do not in any way reflect necessarily the views of the board of the Victorian Responsible Gambling Foundation. They are entirely my own comments.

Mr Wynne: You're not conflicted, though.

Mr MORRIS: I agree. The minister says I am not conflicted. I am not conflicted, but I think it is important to make the declaration just to put those comments in context.

I do welcome the reforms proposed, and you have only got to go back to the comments of the casino royal commissioner, where he said in his opening remarks:

Within a very short time, the Commission discovered that for many years Crown Melbourne had engaged in conduct that is, in a word, disgraceful. This is a convenient shorthand for describing conduct that was variously illegal, dishonest, unethical and exploitative.

He went on to talk about the regulator being bullied and how the manner in which Crown responded to various investigations was behaviour that was not expected of a regulated entity, including providing false and misleading information, delaying the investigation and so on.

He also went on to talk about the impact on vulnerable people who have a gambling problem and made the point quite rightly that the cost to the community of problem gambling is enormous. And it is not just the person with the problem that suffers of course, it is those around them and those beyond them.

There is also then some commentary around the unsuitability or otherwise of Crown to hold

a licence.

The point is that this was a complete failure in terms of the regulator—a complete and absolute failure. I know the member for Euroa talked about the resourcing of the regulator, and I think that that is a significant part of the issue. But the regulation failed.

While I do welcome the reforms that are proposed here, as I said, hopefully this is not an exercise of rearranging the deckchairs, because this new commission has to be properly resourced.

The regulation of liquor and of gambling has been an ongoing problem for decades, but when you come to the second-reading speech, the bulk of the speech is about, effectively, the casino, whereas when you look at the bill, the bulk of the bill is in fact about regulating liquor—perhaps rewriting, not reinventing the legislation around the administration of the liquor system but simply remaking that legislation with a different agency overseeing it. So I am not convinced that we have got this right.

I am not convinced that we have got the administration or regulation of liquor right, and I am not convinced that we have got the regulation of gambling right.

When you look at the participation rate, it is critical that we do get that right because at least 70 per cent of Victorians, or 69 per cent of Victorians, engage in one gambling activity each year. Forty-four per cent engage in TattsLotto and 37 per cent in buying raffle tickets and things, but playing pokies or electronic gaming machines (EGMs), 14.1 per cent, and in the casino, 6.1 per cent.

Those are significant numbers of Victorians, and it is important that we get it right.

As others have commented, I am certainly not a wowser. Yes, I do gamble. Mostly it is TattsLotto, but if I go to the races, I will put 10 bucks on a horse. That is about the extent of it; frankly it does not excite me in the slightest. But I know for others it can be very addictive.

But the reality is that prohibition does not work. People choose to gamble. They should be able to choose to gamble, and I certainly do not have a problem with that. But I also recognise that these are very big businesses.

Quite rightly, in the time that we have had the casino operating and in the run-up to its opening, we have had a focus on organised crime, and that is entirely reasonable, particularly given the huge amounts of cash that wash through the system.

But I think we also need to have a focus on the impact on consumers, because it is frankly not acceptable to have an industry of this nature that is not heavily regulated and that is not effectively regulated, because when you think about it, a licence to have electronic gaming machines is effectively a licence to make money. It is a lucrative licence. I know some have found it difficult to make a dollar, but the overwhelming majority do very well.

Similarly, with a casino, it is lucrative, but it is also a monopoly, so it has got to be heavily regulated and it has got to be effectively regulated.

I also think there is an argument to be had around how the proceeds of the activities from this industry are utilised. Frankly, if the outcomes from what is potentially a harmful activity are simply to generate profits for the providers, to generate significant revenue streams for the state, to generate jobs, either directly or indirectly—and all of those are good things—if those are the only outcomes, that is simply not good enough, because as I mentioned, I

think the community has the right to participate but it has the right to participate on a level playing field.

This is a potentially harmful activity, so you have got to have support mechanisms in place to allow the activity to take place but to recognise that there are potentially harmful outcomes. You need the regulation. You need to provide the support.

We have an activity called 'driving on the road'. We have the regulation: you cannot drive wherever you like, you have got to drive on the left-hand side. If the worst outcome happens and you have a collision, you have support services there—you have ambulances to come and get people who are injured, you have tow trucks to come and take away the cars. You have all those things, and then you have the ongoing support—and all of those things just happen as a matter of course. But we do not necessarily see that in terms of this industry.

To give you an example, if you look at the total media spend of the casino—the EGM providers, the operators, the various other opportunities for wagering and betting, the total money spent in those areas—and then compare it with the money spent for problem gambling service providers, for public education programs and for the impact of gambling, there just is no comparison. It is not a level playing field. It is way lopsided.

If you think about how effective—going back to the road analogy—the TAC program has been, there has been a lot of money spent, but it has been an excellent investment. Together with effective regulation and tools like speed cameras, as a society we have driven down the road toll, even as the number of cars on the road has been expanding significantly.

I think we really do need a similar campaign in terms of the gambling industry, but we need a well-resourced campaign. I am quite certain that the resources that are available at the moment—and maybe more resources will be available as a result of this bill going through—need to be boosted significantly.

I just want to conclude by referring very quickly to the impact of the pandemic.

Life shifted online for many people throughout the pandemic, and life gambling-wise shifted online for many people as well. That is an epidemic we still have to come.

Again, we need much better support for those services.