



Speech by

Mr D. BRISKEY

MEMBER FOR CLEVELAND

Hansard 17 August 1999

INTERACTIVE GAMBLING (PLAYER PROTECTION) AMENDMENT BILL

Mr BRISKEY (Cleveland—ALP) (5.55 p.m.): The Interactive Gambling (Player Protection) Amendment Bill bans all members of Parliament, local government councillors, their families and staff from having any financial interest or management involvement in Gocorp's Internet gaming licence. This Bill is necessary because, unfortunately, public figures have placed their personal gain above their responsibilities to the community. This Government has moved decisively to ensure that those political figures forfeit their stake in Gocorp.

This Bill is clear evidence that this Government is committed to the highest levels of probity and integrity. No criticism can be levelled at this Government's response to the matter. The Premier has acted decisively to ensure that not only the right thing is done but also, just as importantly, the right thing is seen to be done. The Treasurer, a man of the highest honesty and integrity, has also acted honourably. When questions were raised concerning the licensing process, the Treasurer went to the Premier and sought his support for the independent audit of the licensing process conducted by the Office of Gaming Regulation. Not only did he refer the matter to the Auditor-General; he also stepped aside pending the outcome of the Auditor-General's inquiry. He took this action even though no evidence of illegality had been or has yet been identified by any of those who have been so quick to criticise him. I believe that the Treasurer's critics will live to regret their poisonous and spiteful allegations against him.

These amendments are being made because the Beattie Government is determined that public confidence in the regulation and operation of gaming in Queensland be maintained. Internet gambling is a reality and it is the responsibility of Governments to ensure that this form of gambling is regulated properly. To that end, successive Queensland Governments have led Australia and arguably the world in establishing a licensing process for Internet gaming operators. The Interactive Gambling (Player Protection) Act sets out the proper processes that a company has to follow to gain a Queensland Internet gaming licence. It imposes high standards on companies wishing to operate in Queensland and also puts in place consumer protection measures for licensed Internet gambling.

The Queensland Act has a strong focus on player protection and includes—

- a requirement for all players to register with the operator, with such registration including positive identification, rather like the 100-point check required to open a bank account;

- a prohibition on minors gambling;

- the establishment of betting limits for players which can be altered only with a period of notice;

- exclusion provisions for those with gambling problems,

- including self-exclusion and exclusion at the request of family members on application to the regulator;

- a ban on advertising by other than licensed sites;

- a prohibition on credit betting; and

- rigorous privacy requirements.

It has been recognised both in Australia and internationally as leading-edge legislation. As the Premier noted, in its recent draft report on Australia's gambling industries the Productivity Commission, which is not known as a keen supporter of strong regulatory frameworks, saw considerable advantages in the regulation of Internet gambling. It summarised its views as follows—

"Regulation of online gambling under this 'managed regulation' model has mutual advantages for consumers and operators and creates a market which drives the unscrupulous operators—the 'lemons'—out of the market."

An essential part of this model is the application to the Internet of many of the same standards that are applied to more traditional forms of gambling. The interactive gaming legislation was passed by the Queensland Parliament in 1998. It was not designed to promote new forms of gaming but to provide stringent consumer protection mechanisms for a form of gambling which is already widely available on the Internet.

Mr BRISKEY (Cleveland—ALP) (7.30 p.m.): As I was saying prior to the dinner recess, the interactive gaming legislation passed by the Parliament in 1998 was designed to provide stringent consumer protection mechanisms for a form of gambling which is already widely available on the Internet. After the passage of that legislation, the interactive gaming company Gocorp applied to the Queensland Office of Gaming Regulation for an online gaming licence. The Queensland Office of Gaming Regulation is an independent body responsible for the licensing process and conducts exhaustive probity checks on all gaming operators to ensure that the industry's probity and integrity is maintained. It is the responsibility of this office to ensure that those involved in the Queensland gaming industry are beyond reproach.

In May, the Office of Gaming Regulation, through the Under Treasurer, informed the Treasurer that Gocorp had passed the necessary probity and financial checks. Consequently, the Office of Gaming Regulation recommended that the Treasurer approve an interactive gaming licence for this company subject to conditions relating to the financial strength of the company and its meeting stringent technical requirements. The Treasurer accepted its recommendation and granted the licence. He acted strictly on the basis of the advice from the Office of Gaming Regulation.

It is important to note that, contrary to the claims made by some commentators, the licence issued to Gocorp carries no exclusive rights. The Act does not limit the number of licences that can be approved. In fact, there are currently four other licence applicants going through the same exhaustive probity process that Gocorp went through. Other States and Territories are expected to issue licences to Internet gambling companies. Indeed, the Northern Territory already has licensed one site which is operational.

Contrary to comments from the Leader of the Opposition and some journalists at the Courier-Mail, there was no secret about Queensland's moves to license interactive gambling providers. The whole process, including the legislation, had been the subject of extensive discussions with individual prospective applicants, in industry conferences and through relevant industry media—especially those on the Internet. Interested parties throughout the world were well aware of where Queensland was at. This Government's first and only interest in gaming is to ensure that it is regulated in a manner that is consistent with community expectations.

The gaming review, which the Treasurer instigated and which I chair, will set in place a gaming industry in Queensland that is answerable to the community. It will ensure that the industry's growth is consistent with community expectations. The controversy surrounding the approval process for Gocorp's licence has highlighted the fact that the legislation passed in 1998 is out of step with community attitudes. It is clear that the community does not want its elected representatives to be involved in interactive gaming. This Bill ensures that the following people cannot hold a benefit from the interactive licence issued to Gocorp: a member of the Legislative Assembly; a spouse or child of a member of the Legislative Assembly; a staff member of a member of the Legislative Assembly; a councillor of a local government; or any other person prescribed in a regulation.

The changes will not affect the rights of shareholders other than the three parties in either Gocorp or the other affected companies, Topki Holdings Pty Ltd and Navari Pty Ltd, from taking up shares in Gocorp either directly or via an alternative corporate mechanism at some time in the future provided, of course, that Gocorp retains its licence. However, the Queensland Office of Gaming Regulation will continue to monitor the share register of Gocorp to ensure that its corporate structure complies with the Government's clearly stated policy on this matter. This legislation further confirms this Government's commitment to the highest levels of probity and integrity and ensuring that in all matters relating to gambling its only concern is maintaining the community's confidence and keeping pace with its expectations.

There were, and are, absolutely no grounds whatsoever for the Parliament to consider the censure motion against the Treasurer, David Hamill, before the dinner recess tonight. He has stepped aside from his duties in spite of the fact that his detractors have failed to pinpoint exactly what illegality he committed when he approved the conditional interactive licence for Gocorp on recommendations from his department. He has acted honourably throughout the whole affair, which is more than can be said for those who supported the motion before the dinner recess tonight.

It was prejudicial for the House to consider a censure motion on anything to do with the circumstances surrounding the issuing of an Internet gaming licence to Gocorp when this matter is currently being investigated by the Auditor-General and the Criminal Justice Commission. Two inquiries are currently under way. The correct action is for this Parliament to await those two reports before commencing a debate about the merits of the Treasurer's actions. It is also wrong to criticise the Treasurer for issuing an interactive gaming licence prior to the completion of the gaming review. Interactive gaming licences are not issued because the Government wants to expand gambling. They are issued because the Government wants to protect gamblers.

As I said earlier, Internet gambling is a reality. There are already hundreds of Internet gaming sites operating on the net. Governments can either ignore this fact or face up to their responsibilities. The Queensland Parliament decided that regulation was the best approach to this new development.

The Interactive Gambling (Player Protection) Act does not limit the number of licences that can be approved. As I have stated already, there are currently four other licence applicants going through the same exhaustive process and probity checks that Gocorp went through. Importantly, members should note that the Act was not designed to promote new forms of gaming but to provide stringent consumer protection mechanisms for a form of gambling which is already widely available. Therefore, it is wrong for members to claim that the Treasurer was encouraging the expansion of gaming by issuing this licence. Such a suggestion is ludicrous considering that the Treasurer's record as Treasurer is one of limiting gaming, not expanding it. It is particularly hypocritical of the member for Moggill, Dr Watson, to criticise the Treasurer in relation to gaming matters. After all, the member for Moggill is responsible for the recent rapid growth in gaming machines across the State. If the member for Nicklin is concerned about the growth of gaming in our communities, a censure motion should be directed at the member for Moggill over the disastrous changes he recommended. The Treasurer is not the villain in this story, it is the member for Moggill. The Treasurer's first and only interest in gaming is to ensure that it is regulated in a manner that is consistent with community expectations. He has set in train a reform process to ensure that the community's views are central to the licensing process for gaming.

The Treasurer's decision to establish the gaming review to investigate and report on the social and economic consequences of the expansion of gaming in Queensland is evidence of that commitment. He established the gaming review because he was concerned that gaming, particularly poker machine gaming, was growing too rapidly and he wants Queensland to lead the world in adopting responsible gaming practices.

The establishment of the gaming review demonstrates the Treasurer's proactive approach to minimising the harm from gaming in our communities and makes a mockery of those who claim he has acted in any way contrary to the best interests of Queensland and Queenslanders. He is a man of the highest honesty and integrity and I, like so many Queenslanders, eagerly await his return as Treasurer. He is a great Treasurer who strives to ensure that the Government meets both its social and economic objectives. He is worthy of this Parliament's complete support.

Those in this House and in the media who have viciously attacked and criticised him over the Gocorp licence have failed to identify any illegality or abuse of process in his actions. These people's criticisms are unfounded and are robbing Queensland of a great Treasurer. I have every confidence that the Treasurer followed all the proper processes when he issued Gocorp's licence, and I look forward to the Treasurer's speedy return.
