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**The Right Reverend John D Harrower OAM
Bishop of Tasmania
Anglican Diocese of Tasmania
GPO Box 748
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Dear Right Reverend Harrower

Thank you for your letter of 26 July 2011, originally directed to the Minister for Small Business, concerning problem gambling reform. Your letter has been referred to me as I have portfolio responsibility for this matter. I sincerely apologise for the delay in responding to you.

The Government shares your view that problem gambling is a significant issue in our community with devastating social, financial and emotional consequences. The Government understands that for most people, gambling is a form of entertainment that is enjoyed responsibly. But for some people it has devastating consequences – for them and their families.

Many problem gamblers are gambling away their family budgets – destroying their own lives and their children's. They suffer mental and physical health problems, find it difficult to hold down jobs, and are often in debt to support their gambling. They can barely maintain relationships and marriages will often end in divorce where there is a serious gambling addiction.

Poker machines are easy to use and even easier to find – we have nearly 200,000 poker machines in pubs, clubs and casinos across the country. Three-quarters of problem gamblers have problems with poker machines. One researcher has said one in six people who play pokies regularly has a serious addiction.

Problem gamblers spend an average of \$21,000 each year on poker machines, which is a third of the average Australian annual salary. That's a lot of money by anyone's standards, money that isn't being spent on food, bills or the family mortgage.

That is why the Government is committed to introducing changes to reduce the impact of problem gambling in our communities. This is no easy task but it is necessary if we are to provide the duty of care we owe thousands of individuals and families whose lives are being ruined by poker machines.

These changes are the result of a year-long inquiry into gambling in Australia done by the Productivity Commission – an independent economic advisory body. It was based on the best evidence from researchers, the industry and those who work with people with gambling problems every day. Full pre-commitment was a key recommendation of the Productivity Commission.

The idea behind pre-commitment is that we can use technology to help people set limits on how much they want to spend on poker machines and stick to them

The Government has also committed to introduce electronic warnings on poker machines to provide more information to players, and a \$250 daily withdrawal limit from ATMs in gaming venues.

The Government is working with state and territory governments to progress a national response to the full set of recommendations in the Productivity Commission's report through the new Council of Australian Governments' Select Council on Gambling Reform.

I trust this information will be of assistance to you.

Yours sincerely



BILL SHORTEN