

Senator the Hon Anne Ruston

Minister for Families and Social Services Senator for South Australia Manager of Government Business in the Senate

Ref: MC19-007290

0 1 OCT 2019

Mayor David O'Loughlin President Australian Local Government Association 8 Geils Court DEAKIN ACT 2600

Dear Mayor O'Loughlin

Thank you for your letter of 14 August 2019 concerning the resolutions from the 16-19 June 2019 National General Assembly of Local Government (the NGA), and supported by the Australian Local Government Association (ALGA) Board at its July 2019 meeting.

I acknowledge the important work the ALGA and the NGA undertake, and recognise that there are a number of future challenges and opportunities for all governments and the Australian community. We all have a role to ensure that policies and programs are relevant, and are of benefit, to all Australian communities.

Thank you for providing me with the opportunity to consider resolutions supported by the ALGA Board that relate to matters that sit within or are relevant to matters in my portfolio as the Minister for Families and Social Services.

I am pleased to provide advice and comment to you on Resolutions 83, 85, 87, 102 and 104. I trust the information attached will be of assistance to the ALGA and the NGA delegates.

Thank you again for raising these matters with me.

Yours sincerely

Anne Ruston

Enc.

The Department of Social Services response to the National General Assembly of Local Government and the Australian Local Government Association resolutions is set out below.

Resolution 83:

That this National General Assembly call on the Federal Government to continue extensive consultation with local and state governments, the community sector, medical experts and other relevant stakeholders with a view of creating and implementing appropriate policies to manage anti-social behaviour to support people, families and communities in places where high levels of welfare dependence, and drug and alcohol abuse, co-exist with high levels of social harm.

The Australian Government is committed to building safe and healthy communities by reducing the impacts associated with drug and alcohol misuse to individuals, families and communities. This includes funding of approximately \$780 million over four years (from 1 July 2018) for drug and alcohol treatment services, as well as a number of prevention activities. This includes funding to support the National Ice Action Strategy to tackle the scourge of ice, especially in regional Australia.

Although state and territory governments are the primary funders of drug and alcohol treatment services, the Commonwealth is providing an investment of approximately \$662 million over four years (from 1 July 2018) for drug and alcohol treatment services and national leadership.

Approximately \$433 million of this investment is provided to Primary Health Networks (PHNs) to commission locally based treatment services in line with community needs. This includes \$82.8 million for indigenous-specific services; and the Department of Health also directly funds approximately \$142 million for services with a national and state-wide intake, such as residential rehabilitation services. Funding is also provided to important leadership activities to build capacity and quality improvement within the sector.

The Government further supports a number of drug and alcohol prevention activities, including more than 240 Local Drug Action Teams across Australia, the Good Sports program which encourages cultural change through sports, the Positive Choices web portal for teachers, parents and students, and the Cracks in the Ice toolkit which provides trusted, evidence-based, and up-to-date information and resources about crystal methamphetamine for community groups, families and friends of individuals using ice.

The Government is also considering the best way to support people, families and communities in places where high levels of welfare dependence co-exist with high levels of social harm.

By placing restrictions on how welfare payments can be spent, the Government introduced the Cashless Debit Card (CDC) which has been designed to reduce the social harm caused by alcohol, gambling and drug abuse.

The CDC is a useful tool that operates alongside other reforms to address the devastating impacts of drug and alcohol misuse and problem gambling.

The objective of the CDC is to limit the amount of welfare payment available as cash and reduce the overall harm caused by welfare fuelled drug and alcohol misuse and problem gambling.

Resolution 85:

That the National General Assembly calls on the Federal Government to:

- 1. Establish a Royal Commission into the gambling industry and the \$24 billion in annual gambling losses nationally, the highest in the world in per capita terms; and
- 2. Embrace national harm minimisation policies to reduce gambling harm in Australia such as:
 - I. Following the lead of the UK Labour Party in supporting a ban on credit card usage with online gambling companies;
 - II. Introducing further restrictions on gambling advertising, emulating the approach taken with the tobacco industry;
 - III. Establishing a national ombudsman scheme to process consumer complaints and resolve customer disputes with online gambling companies; and
 - IV. Introducing a ban on federally registered political parties from owning gambling licences issued by Australian governments, including for the operation of poker machine venues.

Resolutions 87:

That the National General Assembly calls on the Federal Government to work with State and Territory Governments to develop new and/or updated systems to collect and publish online gambling expenditure at a municipal level.

The Government takes gambling harm to Australians seriously and recognises the impact of gambling on consumers, their families and communities. That is why on 30 November 2018, the Government announced the joint Commonwealth, state and territory National Consumer Protection Framework for online wagering (National Framework) in Australia. The National Framework consists of 10 consumer protection measures, which aim to reduce the harm that can be caused by online wagering to consumers.

The National Framework is important as the rate of problem gambling is three times higher online than other gambling platforms. Commonwealth and state and territory governments have made strong progress on the implementation of the National Framework to date, with six measures now implemented. This includes measures such as prohibition of lines of credit, and restrictions on offering inducements. The remaining measures are subject to further development, trialling and testing.

The commencement of the National Framework is the first critical step in bringing Australia's online wagering consumer protections in line with international jurisdictions, such as the United Kingdom (UK). We continue to consider ways to build on our online wagering reforms as part of delivering our response to the 2015 O'Farrell Review of Illegal Offshore Wagering (O'Farrell Review), and look at gambling harm from a holistic point of view.

My department continues its firm focus on developing policies that ensure the best outcomes for Australians who participate in online gambling and minimising gambling related harm. To ensure we are able to appropriately respond to the unique challenges presented by online gambling, national and international considerations are also being made to reflect the borderless nature of the internet.

The Government will continue to explore the most appropriate mechanisms to respond to the negative impacts and harms from gambling, such as the recent O'Farrell Review resulting in agreement through a National Policy Statement between all Australian governments.

I acknowledge the recent UK gambling harm minimisation reforms and the UK Government's support to ban the use of credit cards for online gambling. The Australian Government successfully banned online wagering operators in Australia from offering lines of credit to individuals as part of the National Framework. This credit ban came into effect on 17 February 2018. A ban on use of credit cards to deposit funds into online wagering accounts is not in scope as part of the Government's current reforms although we are closely monitoring this issue.

I commend some Australian banks who have voluntarily banned the use of credit cards for online gambling. Following the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry, the Government welcomed and continues to encourage moves by the Australian banking industry to demonstrate strong social leadership in implementing reforms that put in place stronger protections to reduce the harm of gambling to Australians. We will continue to actively work with the Australian Bankers' Association (ABA) to see what other complementary reforms can be implemented to reduce gambling harm.

On 6 May 2017, the Government announced a comprehensive package of reforms for Australia's free to air broadcasting sector including restrictions on gambling advertising. The restrictions ban gambling advertisements during live sporting events, broadcast in children's viewing hours. These restrictions have been in place since 30 May 2018, and complement the National Framework.

On 28 September 2018, new rules for online content service providers came into effect and mark the first time 'broadcast like' restrictions have been applied to online content services in Australia, providing consistency across broadcast, subscription and online platforms.

The Government considers it is important that gambling advertising is presented in a responsible manner, with advertising regulation in Australia intended to strike a balance between legitimate commercial interests and appropriate community safeguards.

While the Government is aware of community concern about gambling advertising, it is also aware of the need to balance advertising regulation with the lawful pursuits of gambling service and media providers. The Government is committed to reducing gambling-related harms for all Australians and will continue to work with individuals, organisations and communities in the effort to get the balance right.

Regarding establishing a national ombudsman, as you may be aware state and territory governments are generally responsible for the regulation of legal forms of gambling. State and territory governments already have a range of existing schemes to manage consumer complaints and resolutions with online gambling providers. Any changes to establish a national ombudsman to process complaints would require significant legislative and regulatory changes in Australia.

There are also other mechanisms such as collaborating on the National Framework, where Commonwealth and state and territory governments are all working together to ensure compliance with the spirit and intent of the reforms.

All Australian governments continue to encourage the wagering industry to be a socially responsible industry, and to be proactive, and make improvements in protecting the interests of consumers, especially from any harm that may be caused from gambling.

Regarding introducing a ban on federally registered political parties from owning gambling licences and operating poker machines, the Government considers this is ultimately a matter and a decision for each party and is governed by the rules set by Parliament.

You may be aware that statistics on gambling expenditure in Australia are available as part of the Australia Gambling Statistics report, released by the Queensland Government annually, representing all Australian states and territories. It includes a comprehensive set of data covering all legalised Australian gambling products.

All governments continue to work together collectively and co-operatively to improve this comprehensive set of statistics. I have asked my department to raise with our state and territory counterparts options for improving online gambling data.

Resolution 102:

That the National General Assembly calls on the Federal Government to significantly raise Newstart, Youth Allowance and all underfunded social security payments and that all payments be indexed at the same rate as the pension, as this has been recognised as an absolute minimum standard of living.

The Government is committed to maintaining a strong and sustainable safety net for all Australians who need help and cannot support themselves. Working age allowances such as Newstart Allowance are designed to provide a safety net for people who require financial assistance, while maintaining incentives for people to join or return to the workforce. Payment rates of Newstart Allowance are indexed to the Consumer Price Index twice a year, on 20 March and 20 September.

Where recipients have additional costs, such as those associated with renting in the private market or raising children, supplementary payments such as Commonwealth Rent Assistance and Family Tax Benefit are available. Other supplementary benefits that may be payable include Pharmaceutical Allowance, Carer Allowance, Remote Area Allowance, Telephone Allowance and Mobility Allowance, as well as a concession card.

The Government is committed to helping people receiving Newstart Allowance and Youth Allowance move off welfare into a job. The Government has seen the largest increase in jobs since the Global Financial Crisis, with over 1.4 million jobs created since this Government was elected. In addition, the proportion of Australians receiving working-age income support payments has fallen to its lowest level in 30 years at 14.3 per cent.

Resolution 104:

That the National General Assembly calls on the Australian Government to support the provision of essential aged care and disability services and infrastructure in regional and remote towns.

My department has responsibility for the provision of targeted supports and services for people with disability, to improve their independence and participation in community and economic life. The Minister for Health, the Hon Greg Hunt MP, has responsibility for the provision of aged care supports and services.

The *National Disability Strategy 2010-2020* commits all governments to a national approach to creating an Australian society inclusive of people with disability as equal citizens. As part of this national approach, the Government supports the provision of disability services in rural and remote areas as a shared responsibility of the Commonwealth, state and territory governments, including through joint funding of the National Disability Insurance Scheme (NDIS).

The National Disability Insurance Agency, as the agency with operational responsibility for the NDIS, recognises the need for the NDIS to be equitably implemented for all Australians and has developed a Rural and Remote Strategy to address the challenges of service delivery in rural and remote communities. This Strategy focuses on enabling quality engagement, service delivery and leadership to ensure the successful delivery of the NDIS in rural and remote communities and Aboriginal and Torres Strait Islander communities across Australia.

The Government also appreciates the important role local governments can play in supporting local planning to build on existing strengths to best support people with disability, including through Disability Inclusion Action Plans.