

Minister Shatter announces the preparation of a new Bill on Gambling

21 September 2011

Alan Shatter T.D., Minister for Justice, Equality and Defence has announced that the Government has agreed to his proposal to start work immediately on new legislation to modernise our laws on gambling.

The Minister speaking about the announcement said **"The Government agreed with me that it was long past time for a full and comprehensive revision of our gambling laws. The shortcomings in the current law, for example, the absence of any regulation of on-line gambling, are exposing young people and other vulnerable persons to unacceptable risks. The Exchequer is also being short changed because of the absence of a taxation regime for on-line and other forms of remote gambling.**

The present laws are not adequate to deal even with aspects of gambling which they were intended to cover. For instance attempts to curtail unlicensed private members' clubs, including prosecutions, have been unsuccessful."

Minister Shatter stated that no provision would be made for large resort style casinos such as have been proposed by some promoters but that statutory provisions will permit modest size casinos. The number will be limited and every application will be subjected to vigorous checks, including deep and extensive checks on the promoters. The Minister said **"only those promoters meeting high standards of personal and financial probity will be considered for a licence"**.

The Minister spelt out the Government's thinking on casinos. He said the Government recognised that there is support for a form of casino entertainment, noting that it would be especially beneficial as an added attraction for some tourists. However, it has decided that only casinos of modest size should be allowed and that provision should not be made for resort casinos. It felt there were good reasons (that are connected and that overlap) for it not supporting the large scale casinos associated with resort type developments. While accepting that such developments would bring, for example, some employment benefits both at construction stage and when in operation, the Government is nevertheless concerned that the scale of such developments is so large that they can attract other activities that are not desirable and pose a particular risk to vulnerable people. It therefore concluded that, on balance, the social impact was likely to be negative.

The Government is concerned that there should be a high degree of supervision. It is aware that the supervision of large casinos would require disproportionate resources in the context of the overall resources available to the State for this purpose. It was not, on the other hand, prepared to contemplate anything but the highest standards of inspection and compliance. The Government would not go ahead where it could not guarantee the highest degree of supervision.

Mr Shatter went on to say that although public funds were not to be used in any way in the construction or on-going operation of large casino resorts, the Government could not ignore the widespread concerns expressed about the medium to long term viability of these resort developments. He said **"The Government feels it would not be acting in the public interest if through the forthcoming legislation it encouraged or facilitated the larger developments in the face of such real and substantial doubts about their viability."**

The Minister added that the new legislation will prohibit fixed odds betting terminals (F.O.B.T.). He said the Government was satisfied their prohibition was in the public interest.

The Minister continued **"The series of decisions taken by the Government will bring clarity and certainty. This will assist anyone planning to locate business here. They can be assured they will be operating within a comprehensive, modern regime. More importantly, the new system has protection of the vulnerable as its primary objective. It will also give customers greater entitlements within a well defined system and in that and many other ways, it will serve the public interest."**

The existing laws date from 1931 in the case of betting and 1956 for gaming. The new legislation will deal with on – line and other forms of remote betting and gaming, as well as addressing loopholes. It will also take account of the blurring of the lines between betting and gambling, especially in the on-line operations. It will therefore cover both betting and gaming, under the collective term 'gambling'.

The Minister continued **"the present enforcement systems are divided across a number of Departments and agencies and they do not have the impact we would expect.**

The picture that emerges is of legislation that was designed for a gambling sector that has changed beyond recognition. We need to catch up with changes in technology and in public attitudes, and we need to do so without further delay."

A new unified enforcement structure will be established. Licensing and inspection duties will be brought together under the Minister for Justice, Equality and Defence. Mr Shatter said that he proposed a unified control system because **"my priority is the protection of the public interest and, in particular, the protection of the vulnerable and their families. I feel this priority can best be met by what I would described as a "joined – up" set of controls."**

The Minister expects to present a full draft of the legislation to the Government in the Spring of next year, for its approval.

ENDS

Notes for Editors:

The detailed arrangements for the implementation and operation of the new streamlined system will be worked out as the legislation is being drafted. At this stage, the following are agreed:

1. The Bill will cover the following activities: betting, gaming, lotteries (other than the National Lottery). It will include 'remote' gambling (on-line, etc.). It will not include on – course betting as that area is already catered for.

2. The new legislation will break new ground in three important areas:

(i) It will introduce a single up-dated and unified structure under the control of the Minister for Justice and Equality and covering 'remote' gambling, betting shops, gaming outlets, bingo venues and lotteries. The Minister will have full supervisory, inspection and enforcement powers, with assistance from the Garda Síochána as required. Currently, licensing and supervisory functions are split between the Minister for Justice and Equality and the Minister for Finance.

(ii) It will establish arrangements for the licensing of 'remote' operators, namely those who provide services online, by phone or interactively. Once licensed, the remote operators can be brought within the taxation code as it applies to gambling. The taxation of gambling will remain the responsibility of the Minister for Finance and the Revenue Commissioners.

(iii) It will provide for the licensing and operation on a modest scale of casinos. The Bill will set down the maximum number to be permitted nationally. The anomalies that exist in the present law (and which enable certain types of club to operate) will be removed.

3. In the case of all gambling services to be covered by the new Bill, a licence will be issued only where the applicant satisfies the Minister as to his personal suitability, financial resources, tax compliance, previous record as a licence holder (whether in Ireland or elsewhere), criminal history (if any). The verification checks will be made with relevant authorities at home and abroad.

Specific and additional requirements may apply to different categories e.g. casinos. Owners, managers and senior operatives will require licences, based on their particular duties etc.

4. The legislation will take particular steps to protect minors and other vulnerable persons. Operators who breach the safeguards will risk losing their licence.

5. The legislation may empower the Minister to impose a levy to support research, educational programmes or treatment facilities for problem gamblers. Such a provision, would be activated only if the Minister formed the view that any fund established by the operators themselves was inadequate.