



Gaming & Leisure Association of Ireland

Submission to the Minister for Finance for Budget 2016



Introduction

The Gaming & Leisure Association of Ireland (GLAI), representing private member card clubs in Ireland, calls on the Government to enact the Gambling Control Bill as a means of generating revenue for Budget 2016.

The Gambling Control Bill is intended to regulate the entire gambling industry. It has been with the Office of the Parliamentary Counsel since July 2013, following Cabinet agreement (9 July 2013) and pre-legislative scrutiny of the Bill's General Scheme (Justice Committee 2 October 2013).

While the Bill itself is intended to provide a safer environment for consumers and eradicate any criminality associated with Gambling, the Bill will also generate significant Revenue streams for the Exchequer, both immediately and in the long-term.

It is in this context that we believe the Bill should be enacted as an immediate priority from a judicial, social, and economic perspective.

Executive Summary

The GLAI estimate that as much as **€222.5million** can be generated from the passage of the Gambling Control Bill, across the Bookmaking, Private Member Card Club, Amusement Arcade and Gaming Machine sectors, both land based and online.

Gaming Machines: Of the 20,000+ gaming machines in Ireland, we estimated that at least 6,780 machines are currently operating without a licence. Of those that are licensed, there is a significant trend of using an incorrect (and cheaper) licence in their attempt to be compliant. Using these figures (ranging between 6,780 and 8,780 unlicensed machines) and under the assumption that Irish machines generate between 50-70% of their UK equivalent in revenue, we estimate that between **€13.4 and €27.3 million is being lost annually to the Exchequer.**

Foreign Direct Investment: A strong regulatory framework will encourage investment from overseas companies. This is time sensitive however, as Europe is currently the quickest expanding online gambling market and as the US opens its doors to online gambling, Ireland can capitalise on its traditional pro-investor assets for companies wishing to set up US-European operations. GLAI estimates that Ireland can attract 5% of the global online sector (worth €1.1 billion in 2013) and generate 5,000 jobs in a relatively short period of time. Such activity could generate between **€76 and €175 million for the Exchequer annually.**

Clarity on Tax Obligations: Enactment of the Gambling Control Bill would provide immediate clarification on a number of taxation issues that are currently resulting in shortfalls to the Exchequer. One such example is the usage of **virtual roulette machines in high-street bookmakers.** Tax on these machines is paid under the 1% Betting Duty rate, despite the application of 23% VAT on their physical counterparts. While the Revenue Commissioners are reported to be of the



opinion that gaming in a licensed bookmaking premises is in breach of current legislation, were gaming permissible it should be subject to VAT at the standard rate. This is an issue which the Gambling Control Bill should clarify and correct. In the meantime we estimate that the shortfall to the Exchequer on this activity is between **€7.6 and €15.2 million annually**.

Another example would be the application of VAT rates to some Private Member Card Clubs but not others, which will equally be resolved through clear legislation outlining operators' obligations. We estimate that this issue above will generate, when clarified fully, **€3 million for the Exchequer annually**.

Item	Description	Cost
Gaming Machines Licences	6,780-8,780 unlicensed or improperly licensed machines earning 50-70% of UK machine revenue	€13.4 – €27.3 million
Foreign Direct Investment - Irish online 'hub'	Capturing of 5% of €1.1bn global online sector: creating 5,000 Jobs, generating payroll taxes, gaming taxes, licence fees, & corporation taxes	€76 - €175 million
Clarity over tax obligations	Bookmakers paying Betting Duty / VAT on Virtual Gaming	€7.6 – €15.2 million
	Some Private Member Card Clubs unsure on VAT application	€3 - €5 million
TOTAL		€100 – €222.5 million



PART I: ECONOMIC IMPACT OF GAMBLING CONTROL BILL

1- Unlicensed Gaming Machines in Ireland

Enforcement of the Gambling Control Bill and the effective licencing of all gaming machines in Ireland could generate in excess of **€13 million annually** for the Irish Exchequer. As no prevalence study exists in Ireland, GLAI proposes three conservative scenarios for the amount of revenue potentially being lost through the operation of **unlicensed gaming machines**.

- ⇒ **Scenario 1:** If 6,780 unlicensed gaming machines are in operation, half of which only operate during summer months, at 50% of the UK average machine revenue: **€13.4 million is being lost annually.**
- ⇒ **Scenario 2:** If 7,780 unlicensed gaming machines are in operation, half of which only operate during summer months, at 60% of UK average machine revenue: **€18.3 million is being lost annually.**
- ⇒ **Scenario 3:** If 8,780 unlicensed gaming machines are in operation, half of which only operate during summer months, at 70% of UK average machine revenue and assuming 50% of current licensed machines should be licensed year-round: **€27.3 million is being lost annually.**

Key Base-line Statistics:

- *Gaming Machines in Operation*

Assuming there are at least 20,000¹ gaming and amusement machines currently in operation across Ireland and using data on the number of licences granted for gaming machines in 2012, GLAI estimates (figure 1) that at least 6,780 machines are currently operating in Ireland without a licence.

Gaming Machines Licences - 12 months	1,415
Gaming Machines Licences - 3 months	4,246
Amusement Machine Licences	7,559
Unlicensed Machines	6,780
Total	20,000

Figure 1: Gaming Machines in Ireland

According to the Revenue Commissioners' Statistical Report 2012, it would appear that approx. 75% of gaming machine licences are bought for 3-month periods only, implying that the machines are only operational during the summer period and warehoused for the remainder of the year. The GLAI believes however that this trend is not matched in the unlicensed sector (and perhaps even in the licensed sector), through its own operational knowledge of the industry. GLAI

¹ According to the Irish Amusement Trades Association (IATA), 'the total number of machines is somewhere in the region of 20,000'; Mr John Roche, General Secretary, Irish Amusement Trade Association (IATA) Justice Committee Hearings 9th October 2013.



therefore asserts that at least 50% of gaming machines operate all year-round and 50% operate only during summer months.

- ***Revenue Generated Through Gaming machines***

Currently no exact figures exist for the amount of money generated by each gaming machine in Ireland. However, in the UK, £14,779 (€17,923.25) is generated annually by each machine². Taking into consideration the gaming machine culture in the UK and the reduced footfall in the areas likely to find unlicensed machines, GLAI suggests that a conservative figure for gross revenue generated for gaming machines in Ireland to be half of that of its British counterparts. Therefore, GLAI estimates that gaming machines in Ireland yield on average **€8,961.63 per year**.

² UK Gambling Commission Gambling Industry Statistics April 2008 – March 2013



Scenario 1: If 6,780 unlicensed gaming machines are in operation, half of which only operate during summer months, at 50% of UK average machine revenue: **€13.4 million is being lost annually.**

Assuming 50% of unlicensed machines are operational year round, with the remaining 50% operating during the three summer months, GLAI estimates the revenue which could be gained from compliance with the proper licences would generate an additional €2.2mn while an additional €8.7mn million would be generated through VAT receipts.

It further assumes that 5,000 of the 7,559 licenses granted for amusement machines should in fact be for gaming machines, as those operators in administrative areas, such as Dublin city centre, where the local council has rescinded part III of the 1956 Gaming & Lotteries Act thereby preventing the licensing of gaming machines, instead obtain an amusement machines licenses for what are essentially gaming machines. As such, €380 is being lost on every amusement licence that is in fact covering a gaming machine (€1.9 million).

SCENARIO 1: 6,780 unlicensed machines are in operation, half of which only operate during summer months

CURRENT REVENUE STREAMS	Number of Licences	Unit Excise Charge	Excise Duty Payable	Number of Machines in Operation	GGR Per Machine	Annual GGR Chargeable To VAT @ 23%	Annual VAT @ 23%
	Issued						
Gaming (Premises)	57	€630.00	€35,910.00	0	€0.00	€0.00	€0.00
Gaming Machines Licences - 12 months (25% of licences)	1,415	€505.00	€714,701.25	1,415	€8,961.63	€12,680,699.38	€2,916,560.86
Gaming Machines Licences - 3 months (75% of licences)	4,246	€145.00	€615,633.75	4,246	€2,240.41	€9,512,764.94	€2,187,935.94
Amusement Machine Licences	7,559	€125.00	€944,875.00	7,559	€4,000.00	€30,236,000.00	€6,954,280.00
ESTIMATED CURRENT LICENSING INCOME			€2,311,120.00	ESTIMATED CURRENT VAT INTAKE			€12,058,776.79

CURRENT UNLICENCED LOSSES							
Gaming Premises - Licensed	57	€630.00	€35,910.00	57	€0.00	€0.00	€0.00
Gaming Premises - Unlicensed	57	€530.00	€30,210.00	57	€0.00	€0.00	€0.00
Gaming Machines - Licensed 12 Months (25%)	1,415	€505.00	€714,701.25	1,415	€8,961.63	€12,682,939.78	€2,917,076.15
Gaming Machines - Licensed 3 Months (75%)	4,246	€145.00	€615,633.75	4,246	€2,240.41	€9,512,204.84	€2,187,807.11
Gaming Machines - Unlicensed - 12 Months (50%)	3,390	€505.00	€1,711,950.00	3,390	€8,961.63	€30,379,908.75	€6,987,379.01
Gaming Machines - Unlicensed - 3 Months (50%)	3,390	€145.00	€491,550.00	3,390	€2,240.41	€7,594,977.19	€1,746,844.75
Amusement Machines properly Licensed (34%)	2,559	€125.00	€319,875.00	2,559	€4,000.00	€10,236,000.00	€2,354,280.00
Gaming Machines operating under Amusement Machine Licences -12 Months (33%)	2,500	€380.00	€950,000.00	2,500	€8,961.63	€22,404,062.50	€5,152,934.38
Gaming machines operating under Amusement Machine Licences - 3 Months (33%)	2,500	€107.00	€267,500.00	2,500	€2,240.41	€5,601,015.63	€1,288,233.59
ESTIMATED POTENTIAL LICENSING INCOME			€5,137,330.00	ESTIMATED POTENTIAL VAT INTAKE			€22,634,555.00
ESTIMATED MISSING LICENSING REVENUE			-€2,826,210.00	ESTIMATED LOSS THROUGH VAT			€10,575,778.20
COMBINED SHORTFALL TO THE EXCHEQUER: -€13,401,988.20							



Scenario 2: If 7,780 unlicensed gaming machines are in operation, half of which only operate during summer months, at 60% of UK average machine revenue: **€18.3 million is being lost annually.**

Scenario 2 uses many of the same base assumptions of Scenario 1, aside from increasing the number of unlicensed machines in operation from 6,780 to 7,780, as the GLAI believes could easily be the case.

It also assumes that a higher proportion of gaming machine revenue exists than is assumed, at 60% of the UK equivalent rather than 50%.

The revenue gained from compliance with the proper licences would generate an additional €4.4 million, while an additional €12 million would be generated through VAT receipts.

SCENARIO 2: 7,780 unlicensed machines are in operation, half of which only operate during summer months, at 60% of UK average machine revenue

CURRENT REVENUE STREAMS	Number of Licences	Unit Excise Charge	Excise Duty Payable	Number of Machines in Operation	GGR Per Machine	Annual GGR Chargeable To VAT @ 23%	Annual VAT @ 23%
	Issued						
Gaming (Premises)	57	€630.00	€35,910.00	0	€0.00	€0.00	€0.00
Gaming Machines Licences - 12 months (25% of licences)	1,415	€505.00	€714,701.25	1,415	€10,753.95	€15,216,839.25	€3,499,873.03
Gaming Machines Licences - 3 months (75% of licences)	4,246	€145.00	€615,633.75	4,246	€2,688.49	€11,415,317.93	€2,625,523.12
Amusement Machine Licences	7,559	€125.00	€944,875.00	7,559	€4,000.00	€30,236,000.00	€6,954,280.00
ESTIMATED CURRENT LICENSING INCOME			€2,311,120.00			ESTIMATED CURRENT VAT INTAKE	€13,079,676.15

CURRENT UNLICENSED LOSSES							
Gaming Premises - Licensed	57	€630.00	€35,910.00	57	€0.00	€0.00	€0.00
Gaming Premises - Unlicensed	57	€530.00	€30,210.00	57	€0.00	€0.00	€0.00
Gaming Machines - Licenced 12 Months (25%)	1,415	€505.00	€714,701.25	1,415	€10,753.95	€15,219,527.74	€3,500,491.38
Gaming Machines - Licenced 3 Months (75%)	4,246	€145.00	€615,633.75	4,246	€2,688.49	€11,414,645.80	€2,625,368.53
Gaming Machines - Unlicensed - 12 Months (50%)	3,890	€505.00	€1,964,450.00	3,890	€10,753.95	€41,832,865.50	€9,621,559.07
Gaming Machines - Unlicensed - 3 Months (50%)	3,890	€145.00	€564,050.00	3,890	€2,688.49	€10,458,216.38	€2,405,389.77
Amusement Machine – Licenced (34%)	2,559	€125.00	€319,875.00	2,559	€4,000.00	€10,236,000.00	€2,354,280.00
Gaming Machines operating under Amusement Machine Licences -12 Months (33%)	2,500	€380.00	€950,000.00	2,500	€10,753.95	€26,884,875.00	€6,183,521.25
Gaming machines operating under Amusement Machine Licences - 3 Months (33%)	2,500	€107.00	€267,500.00	2,500	€2,688.49	€6,721,218.75	€1,545,880.31
ESTIMATED POTENTIAL LICENSING INCOME			€5,462,330.00			ESTIMATED POTENTIAL VAT INTAKE	€28,236,490.31
ESTIMATED MISSING LICENSING REVENUE			-€3,151,210.00			ESTIMATED LOSS THROUGH VAT	-€15,156,814.16
COMBINED SHORTFALL TO THE EXCHEQUER: -€18,308,024.16							



Scenario 3: If 8,780 unlicensed gaming machines are in operation, half of which only operate during summer months, at 70% of UK average machine revenue and assuming 50% of current licensed machines should be licensed year-round: **€27.3 million is being lost annually.**

This scenario uses many of the same base assumptions of Scenario 1, aside from increasing the number of unlicensed machines in operation from 6,780 to 8,780, as the GLAI believes is the probable max figure.

It also assumes that a higher proportion of gaming machine revenue exists than is assumed, at 70% of the UK equivalent rather than 50%, given its industry knowledge of the realistic intake of machines in Ireland.

The revenue gained from compliance with the proper licences would generate an additional €6.5 million, while an additional €18.9 million would be generated through VAT receipts.

SCENARIO 3: 8,780 unlicensed machines are in operation, half of which only operate during summer months, at 70% of UK average machine revenue and assuming 50% of current licensed machines should be licensed year-round, not 25%

CURRENT REVENUE STREAMS	Number of Licences	Unit Excise Charge	Excise Duty Payable	Number of Machines in Operation	GGR Per Machine	Annual GGR Chargeable To VAT @ 23%	Annual VAT @ 23%
	Issued						
Gaming (Premises)	57	€630.00	€35,910.00	0	€0.00	€0.00	€0.00
Gaming Machines Licences - 12 months (25%)	1,415	€505.00	€714,701.25	1,415	€12,546.28	€17,752,979.13	€4,083,185.20
Gaming Machines Licences - 3 months (75%)	4,246	€145.00	€615,633.75	4,246	€3,136.57	€13,317,870.91	€3,063,110.31
Amusement Machine Licences	7,559	€125.00	€944,875.00	7,559	€4,000.00	€30,236,000.00	€6,954,280.00
ESTIMATED CURRENT LICENSING INCOME			€2,311,120.00	ESTIMATED CURRENT VAT INTAKE			€14,100,575.51

CURRENT UNLICENCED LOSSES							
Gaming Premises - Licensed	57	€630.00	€35,910.00	57	€0.00	€0.00	€0.00
Gaming Premises - Unlicensed	57	€530.00	€30,210.00	57	€0.00	€0.00	€0.00
Gaming Machines - Licenced 12 Months (50%)	2,831	€505.00	€1,429,402.50	2,831	€12,546.28	€35,512,231.39	€8,167,813.22
Gaming Machines - Licenced 3 Months (50%)	2,831	€145.00	€410,422.50	2,831	€3,136.57	€8,878,057.85	€2,041,953.30
Gaming Machines - Unlicensed - 12 Months (50%)	4,390	€505.00	€2,216,950.00	4,390	€12,546.28	€55,078,147.25	€12,667,973.87
Gaming Machines - Unlicensed - 3 Months (50%)	4,390	€145.00	€636,550.00	4,390	€3,136.57	€13,769,536.81	€3,166,993.47
Amusement Machine – Licenced (34%)	2,559	€125.00	€319,875.00	2,559	€4,000.00	€10,236,000.00	€2,354,280.00
Gaming Machines operating under Amusement Machine Licences -12 Months (33%)	2,500	€380.00	€950,000.00	2,500	€12,546.28	€31,365,687.50	€7,214,108.13
Gaming machines operating under Amusement Machine Licences - 3 Months (33%)	2,500	€107.00	€267,500.00	2,500	€3,136.57	€7,841,421.88	€1,803,527.03
ESTIMATED POTENTIAL LICENSING INCOME			€6,296,820.00	ESTIMATED POTENTIAL VAT INTAKE			€37,416,649.01
ESTIMATED MISSING LICENSING REVENUE			-€3,985,700.00	ESTIMATED LOSS THROUGH VAT			€23,316,073.51
COMBINED SHORTFALL TO THE EXCHEQUER: -€27,301,773.51							



2- Foreign Direct Investment

It is in Ireland's interest that we establish a strong regulatory framework for the gambling sector as quickly as possible, thus encouraging investment from overseas companies. Gambling is still in a transformational process in the U.S. and companies are looking for an ideal location from which to operate or set up their group headquarters.

The global online gambling market, currently estimated at €22 billion, is expected to continue its steady growth from its slowdown in 2009 for another four years (having grown 2.5% in 2012).³ In 2012, European online gambling business operators recorded a 45% increase in their total online gambling yield, making Europe the quickest expanding online gambling market and leaving Ireland with limited time to capitalise on this development.⁴

Following the enactment of the Gambling Control Bill, Ireland will possess the ideal formula to attract significant foreign direct investment into Ireland and create a significant numbers of jobs in the future whilst also generating much needed returns to the Exchequer:

- We are ideally placed geographically to serve as a headquarters for online major operators who operate across Europe and the burgeoning U.S. market given the loosening of gambling regulation;
- We have a highly skilled and readily available workforce;
- We have a highly competitive corporation tax rate which incentivises investment;
- We will, for the first time, clearly express a commitment to the future of regulated and legalised gambling, offering all the commercial reassurances that accompany it;
- Ireland has a proven track record in attracting international firms in the ICT and financial services sectors – both key areas for the online gambling sector;

The Bill will incentivise online operators to establish operations in Ireland, thereby creating a 'Hub' similar to that in Malta, the Isle of Man and Gibraltar.

- Malta: Over 500 online gaming companies were registered in Malta in 2008. In 2011, employment in the sector stood at 5,200. Tax revenue from gaming activities in 2009 amounted to €52.2million and 7.8% of GDP was attributed to Gross Gaming revenue.
- Isle of Man: The Isle of Man eGaming Industry represented 8% of national income in 2012 and employed approximately 800 people. In 2012, the industry contributed £146 million in tax revenue.
- Gibraltar: There are over fifteen gambling companies based in Gibraltar employing over 2000 people.

³ *Analyzing the Global Online Gambling Industry*, (2013), Aruvian Research

⁴ Ibid.



Given the right environment, and considering the high proportion of global financial services, ICT, and other sectors Ireland has attracted to operate from here, it is feasible to suggest Ireland has the potential to attract 5% of the global online gambling sector (worth €1,1 billion in 2013). It would also be reasonable to expect that the sector would generate an additional 5,000 jobs (as has been proposed by DKM Economic Consultants in 2008).⁵ Such an employment uptake of highly-skilled jobs (with an average salary of €40,000 per annum) was estimated at the time to generate **€60 million for the Exchequer annually.**⁶

It follows that the online sector would also generate additional income by way of licence fees, gaming taxes, and corporation tax, again DKM estimated that this could be in the region of €32 million. For the purposes of this paper we consider that it is reasonable to assume that 50% i.e. €16 million is eminently achievable. Accordingly combined revenues could total **€76 million for the Exchequer** in the short term, however these values could be expected to grow rapidly over time given the projected growth of the sector. A conservative estimate would suggest that over the course of the next decade combined revenues for the Exchequer **could total €220 million.**

2.1- Tourism

A fully regulated environment would both add to tourist's overall experience when visiting Ireland and create a new tourism 'pull' factor to Ireland in its own right. From a Private Member Card Club perspective, 40% of new members during summer months are tourists, visiting Ireland on business and for holiday. Many of these tourists come from jurisdictions where gambling is fully regulated and is an established form of entertainment. When in Ireland however, searching online for gambling outlets in Ireland will quickly realise that it is an unregulated activity with no guaranteed player protection standards.

Gambling has been utilised as a means of attracting tourists across many jurisdictions. Notably in Europe, the regulation of gambling in Portugal is carried out by the State's tourism department, Turismo De Portugal.

Ireland does not possess the potential to attract the gambling tourism industry that would warrant super-casinos or casino-resorts, as has been utilised in Las Vegas, Macau and Australia. Nonetheless, the impact of the regulation of gambling and the legalisation of casinos will create the (unquantifiable) consequences:

- Tourists will specifically come to Ireland to gamble (including via the hosting of international tournaments; gambling weekends; stag do's etc.)
- Tourists already present in Ireland will partake in their pre-existing pastime in Irish casinos, often spending money outside of their original holiday budgets.

⁵ *Economic Assessment of a Regulated Casino Gaming Sector: Ireland 2008-2020*, (2008), DKM Economic Consultants

⁶ Ibid.



3- Clarity of Tax treatment

Currently there is a distinct lack of clarity on the treatment of 'gaming' within a bookmaker's environment. The Revenue Commissioners have stated that 'Gaming' is subject to VAT at the standard rate, currently 23% of the gross win (total bets placed less winning bets paid out). Accordingly gaming activities, such as roulette in gaming arcades and private member gaming clubs, is subject to VAT at 23%, whereas virtual roulette in a bookmakers premises is subject to a betting turnover tax of 1%.⁷ Clearly this is in breach of the EU principle of fiscal neutrality which stipulates that goods and services that are identical or similar shall be treated in the same way for VAT purposes. The ECJ decision handed down in November 2011 (Commissioners for HMRC v Rank Group plc.) established that two products, which could be goods and/or services, will be similar if they are considered so by the consumer and meet the same needs of the consumer, as perceived by the average consumer. Further clarification surrounding the principle of Fiscal Neutrality was also provided by the ECJ in their judgment when they determined that no account should be taken of the fact that two games fall into different licensing categories or are subject to different legal regimes relating to control and regulation.

Accordingly 'gaming' activities in bookmaker's premises and online should be subject to the same tax treatment as that provided by other land based service providers. While the percentage of bookmaker's revenue generated from virtual roulette/racing is not in the public domain, for the purposes of this exercise we have provided conservative estimates on the basis that a minimum of 10% and a maximum of 20% of their revenues are generated from gaming activities. Accordingly the equitable treatment of gaming for tax purposes has the potential to generate additional income for the Exchequer between **€6.6 and €13.2 million per annum instantly**.

While some private member card clubs are returning VAT at 23% on gaming activities, other less scrupulous operators are closing and reopening companies in their attempts to avoid their VAT liabilities. Others genuinely hold the belief that the EU VAT directive has not been correctly transposed into Irish VAT legislation, and therefore assert that gaming is not subject to VAT. Accordingly there are a number of challenges to Revenue's assertion in the regard. This lack of clarity has facilitated avoidance, with the consequence that the Exchequer is losing out on a potential revenue stream. Based on our knowledge of the sector, we estimate that the Exchequer is losing between **€3 and €5 million per annum**. It is worth noting that DKM in their report, an 'Economic Assessment of a Regulated Gaming Sector' estimate that a properly regulated land based gaming sector could generate an additional tax take of approx. €50 million per annum through payroll taxes, gaming tax, PAYE/PRSI, Corporation Tax, and commercial rates.

⁷ The GLAI notes that in recognition of neutral parity between land based and online forms of betting, the UK tax structure applies a 15% betting duty on 'net stake receipts' (essentially the gross profit from betting) for fixed odds bets and totalisator on horse and dog races. In accordance with the principle of 'Fiscal Neutrality', the same rate of duty (15%) applies to remote gaming profits.



PART II: NON ECONOMIC CONSIDERATIONS

Although the purpose of this paper is to highlight the economic potential of the Gambling Control Bill, the GLAI would also like to briefly note the primary purpose of the legislation – ie to regulate an industry that is no longer solely terrestrial based, but has migrated into the online realm with the consequence that current legislation, namely the Betting Act 1931 and the Gaming and Lotteries Act 1956 are no longer fit for purpose. As is mentioned in Part I, the grey legal basis upon which operators can opt to operate under betting over gaming, or under various licences, for example, also has resulted in an absolute lack of adherence to international standards by way of consumer protection. The operators who do choose to operate responsibly do so on a voluntary basis, often to their detriment when their competitors profiteer from unscrupulous behaviour. A snapshot of the social and judicial impacts of the Gambling Control Bill are provided below.

Social Impact

- Appropriate legislation (Gambling Control Bill) will facilitate better player protection in accordance with international best practice vis-a-vis:
 - *The prevention of Underage gambling;*
 - *Preventing the provision of Intoxicating liquor free of charge while gambling;*
 - *The introduction of mandatory codes of conduct for online operators that can impose stake limits and website timeouts*
- A centralised national self-exclusion register will be possible; meaning that a problem gambler who self-excludes from one premise cannot simply frequent a different one in a moment of weakness.
- Tracking / Intervention obligations will be mandated, forcing operators to track a player's expenditure, intervene when irregularities emerge, and identify potential problems before they escalate.
- The establishment of a 'social fund' for research, treatment and education, will be facilitated.
- Advertising standards will be established ensuring that the young and vulnerable are not enticed into gambling.
- Properly regulated service providers will be obliged to train staff to identify behaviour patterns that may indicate that an individual is starting to gamble beyond their means, and to provide contact details for treatment services.

Judicial Impact

- Criminality can be driven out of the sector, from tax evasion to the operation of black-market facilities that directly fund criminal organisations.
- Licensing obligations will be clarified, supervised and enforced.
- Only those who have been deemed personally fit to operate will be permitted to engage in the provision of gambling services, driving criminality and the black-market economy out of the industry.
- Clamp down on poor compliance with Revenue Commissioners that is commonplace amongst operators.



*The Gaming & Leisure
Association of Ireland*



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About GLAI:

The Gaming and Leisure Association of Ireland is a trade association which represents the interests of responsible private member gaming clubs and online operators involved in the provision of gaming services across Ireland. The GLAI has nine Private Member Gaming Club members, and the sector employs almost 500 people across Ireland. All members abide by a strict industry Code of Practice, maintain the best available consumer protection standards when running their businesses, and work on an ongoing and positive basis with anti-money laundering authorities, anti-problem gambling experts, and An Garda Síochána.

The GLAI has engaged proactively with the Department of Justice officials and politicians alike to secure support for a new regulatory regime for the gambling industry more appropriate to modern society and advances in technology. Most recently the GLAI contributed to the development of the General Scheme of the Gambling Control Bill with officials from the Department of Justice and Equality. With regard to the regulation of gambling in Ireland, Private Member Gaming Clubs are deemed 'designated bodies' under the 2010 Criminal Justice (Money Laundering & Terrorist Financing) Act, and as such, are the only sector in the gambling industry subject to oversight by the Anti-Money Laundering Unit the Department of Justice.