



**Queensland  
Government**

**Office of Liquor, Gaming and Racing**

**April 2009**

**Submission to the Productivity Commission in response to the  
December 2008 Issues Paper on Gambling**

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## 1 Scope of submission

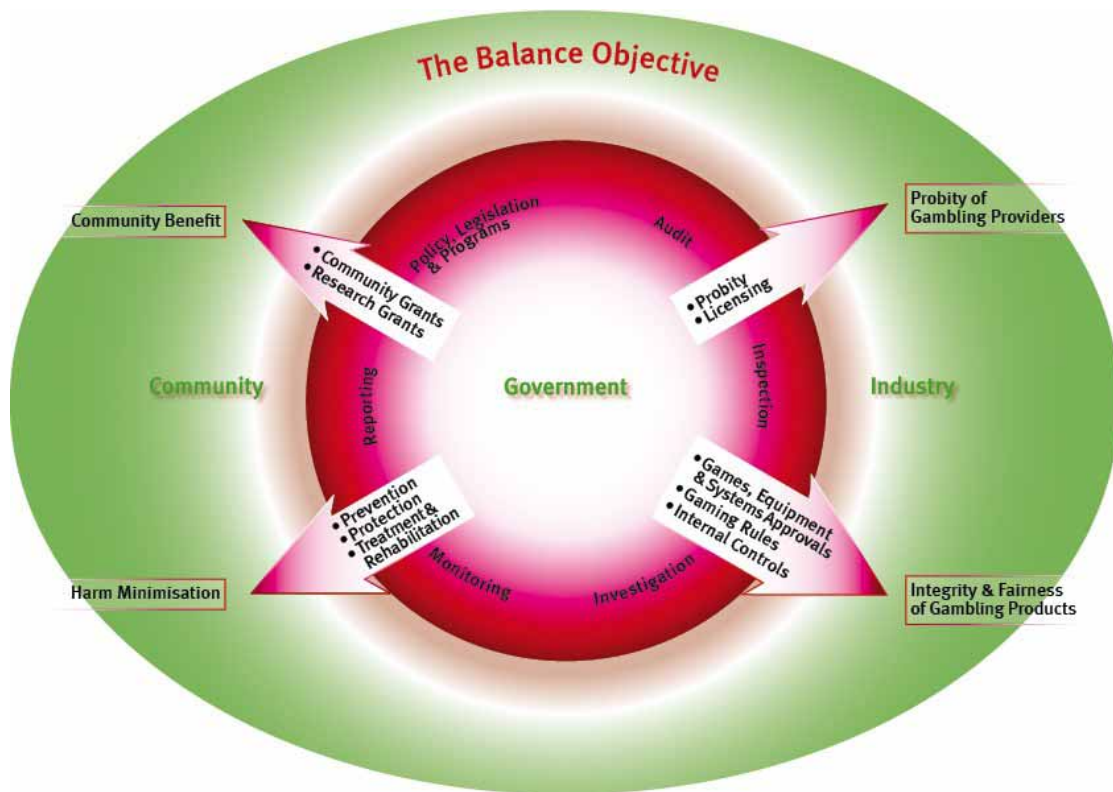
This submission is intended to provide the Productivity Commission with a current snapshot of the gambling industry in Queensland and outline major policy and legislative initiatives introduced by the Queensland Government since the 1999 Productivity Commission *Report on Australia's Gambling Industries*.

## 2 Queensland's policy and regulatory framework

The regulatory framework for gambling in Queensland is based on the objective of ensuring that 'on balance, the State and the community as a whole benefit' from gambling (the balance objective). The regulation and control of gambling is designed to protect players and the community by:

- ensuring probity of gambling providers – through the existence of comprehensive licensing and probity processes
- ensuring integrity and fairness of gambling products – through a rigorous approvals process involving the testing of games, equipment, systems, internal controls and game rules against relevant standards to ensure that in an operational environment gambling is conducted in accordance with appropriate standards
- minimising potential harm – through the community, industry and Government working together to minimise gambling-related harm and fostering safer and more responsible gambling environments
- enhancing the capacity of community organisations – through the establishment of the Gambling Community Benefit Fund under the *Gaming Machine Act 1991*; and the Jupiters Casino Community Benefit Fund, Breakwater Island Casino Community Benefit Fund and Reef Casino Community Benefit Fund under the *Casino Control Act 1982* to provide services and activities to Queenslanders through the provision of non-recurrent grants to not-for-profit organisations.

The following diagrammatic representation illustrates how regulatory and policy functions operate in tandem to achieve the balance objective.



### Office of Liquor, Gaming and Racing

The Office of Liquor, Gaming and Racing (OLGR) is an entity within the Department of Employment, Economic Development and Innovation. The Minister for Tourism and Fair Trading is the responsible Minister. OLGR is responsible for the regulation of almost all legalised gambling in Queensland.

Gambling regulation conducted by OLGR encompasses the regulation of casinos, charitable and non-profit gaming, electronic gaming machines (EGMs), interactive gambling, keno, lotteries and wagering. Regulatory activities include licensing premises and persons; approving gambling equipment, game rules and operator’s control systems; and investigating complaints, conducting prosecutions and ensuring industry compliance with gambling legislation. OLGR also administers community benefit funds and manages various responsible gambling programs.

Since 1999, several major structural changes have occurred:

- the Gaming Machine Community Benefit Fund, which was previously housed in the Department of Families, Youth and Community Care, is now part of the OLGR.
- the former Queensland Office of Gaming Regulation, Liquor Licensing Division and Office of Racing were brought together in 2008 to form the Office of Liquor, Gaming and Racing (OLGR).
- on 26 March 2009 OLGR was moved to the new Department of Employment, Economic Development and Innovation as part of the Government's restructure of the public sector. The integration of the former Office of Gaming Regulation and Liquor Licensing Division is continuing. The Office of Racing remains a separate operational entity.

Gambling legislation administered by OLGR is as follows:

- *Casino Control Act 1982*
- *Charitable and Non-Profit Gaming Act 1999*
- *Gaming Machine Act 1991*
- *Interactive Gambling (Player Protection) Act 1998*
- *Lotteries Act 1997*
- *Keno Act 1996*
- *Wagering Act 1998*

OLGR also has responsibility for various Casino Agreement Acts. The *Racing Act 2002*, which regulates racing control bodies and provides for bookmaking, is administered by the Office of Racing.

### **Queensland Gaming Commission**

The Queensland Gaming Commission (QGC) is an independent statutory authority made-up of five part-time members. Under the *Gaming Machine Act 1991*, the various functions and responsibilities performed by the QGC include:

- the issuing, cancelling and suspending of various licences including Gaming Machine Licences, Monitoring Operators Licences and Major Dealers Licences
- determining the permitted hours of gaming at sites and other operational conditions
- determining the maximum number of machines operable at sites.

The QGC seeks public comment regarding applications for new gaming machine sites, extensions of gaming operating hours or increases to machine numbers in clubs or hotels. The QGC also considers social and community issues in the granting or refusal of gaming machine licences and significant increases to gaming machine numbers. Community impact statements and statements regarding the presence of responsible gambling initiatives at sites are required. This includes:

- the provision of local information regarding problem gambling prevalence
- demand for help services
- indicators of socio-economic stress in the local community area or patron group
- proximity to gaming sensitive sites
- accessibility of gaming machines
- gaming machine expenditure in the local community area
- effectiveness of the site's responsible gambling activities.

The QGC also has appellate functions under the other gambling Acts.

### **Major policy and legislative initiatives since 1999**

Since the 1999 Productivity Commission *Report on Australia's Gambling Industries*, the structure of gambling activity in Queensland has been shaped by several initiatives developed to address issues raised in Queensland's own 1999 *Review on Gaming in Queensland* as well as the Commission's report.

#### April 2000 Policy Direction for Gambling in Queensland

The resulting *Policy Direction for Gambling in Queensland* released in April 2000 included the following measures:

- all gambling legislation now has a clearly stated community protection objective
- the maximum numbers of EGMs in clubs is limited to 280 and limited to 40 for hotels
- public comments are sought on applications for new sites and on applications to increase numbers of machines by 20 or more at clubs, and by 10 or more at hotels
- Community Impact Statements accompany all applications for new sites, detailing responsible gambling initiatives that are to be undertaken
- note acceptors on EGMs are limited to accepting a maximum denomination of \$20
- an industry Code of Practice and an Advertising Code of Practice have been developed and implemented
- support services for those experiencing gambling problems have been extended.

### May 2001 cap on the number of electronic gaming machines in Queensland

On 8 May 2001 the Queensland Government introduced a State-wide cap on the total number of gaming machines in hotels. On 1 July 2003, the Scheme for Re-allocating Gaming Machine Authorities in Hotels (“the scheme”) was introduced to permit the reallocation of gaming machine authorities that become available within the cap as a result of a hotel closing, a reduction in the number of approved gaming machines or the surrender or cancellation of the gaming machine licence. The scheme only allows for the reallocation of gaming machine authorities within the South East, Coastal and Western regions (trading of authorities between these regions is not permitted).

### 2004 enhanced exclusion arrangements

The *Gambling Legislation Amendment Act 2004* included provisions to strengthen the various gambling acts and address a number of ambiguities through greater uniformity across all gambling Acts. Key features of the amendments were:

- the creation of a duty for gambling providers to exclude a gambler when the gambler seeks an exclusion order
- creation of a head of power in each Act, but not a duty for venues to initiate exclusions
- the provision for penalties for gambling providers, employees and customers not complying with the legislation.

### 2008 enhanced protection for minors

The *Gambling Legislation Amendment Act 2008* included important changes aimed at protecting minors from underage gambling, namely:

- the Queensland Government strengthened its stand against minors entering, remaining in and gambling in casinos
- a new offence was created for a casino operator, employee or agent of the operator for allowing a minor to gamble (or have gambled) or attempt to gamble (or have attempted to gamble) in a casino
- a new offence was created for where an adult aids or enables a minor to enter or remain in a casino unless such entry is otherwise authorised.

### 2008 enhanced harm minimisation initiatives

In April 2008 the Queensland Government announced a series of enhanced gambling harm minimisation initiatives would be introduced, including a moratorium on the release of additional EGMs for clubs applying retrospectively from 16 April 2008 and continuing until 30 April 2010.

A reallocation scheme to allow the movement of EGM entitlements (the right to install and operate an EGM in a Queensland club) between clubs during the moratorium period was also announced.

On 16 November 2008, the Government announced that the moratorium would become a permanent cap and would be set at 24,705 EGMs and a market based transfer scheme would be used to reallocate entitlements. A re-allocation scheme is currently being developed to permit movement of EGM entitlements between club sites.

Other initiatives include:

- a prohibition of machine gaming before 10am in clubs and hotels
- introduction of mandatory training on Responsible Service of Gambling for venue employees involved in the delivery of gaming services
- enforcement of a zero-tolerance approach to all venues violating conditions of exclusions
- wider investigations into pre-commitment card-based gaming, including a trial of the card-based gaming technology at the Sandgate RSL and Redcliffe RSL
- evaluation of the Queensland Responsible Gambling Strategy, which provides a framework for responsible gambling initiatives
- review of spin rates to ensure that Queensland spin rates remain in line with other jurisdictions
- examination of withdrawal limits for ATMs within designated gaming areas.

### **Queensland Responsible Gambling Strategy**

The Queensland Responsible Gambling Strategy (QRGS) provides the framework for the development and delivery of responsible gambling initiatives. The QRGS is a package of measures designed to address social issues arising from gambling, minimise gambling-related harm, ensure that appropriate problem gambling treatment and support services are available, and contribute to the development of responsible gambling environments. A culture of responsible gambling incorporates elements of informed choice, consumer protection and the provision of assistance for those affected by problem gambling.

The QRGS is a holistic approach to the issue of gambling and acknowledges the spectrum of healthy and unhealthy gambling behaviours in the population. It is based on a public health approach which views problem gambling as a complex issue requiring multiple collaborative solutions and incorporates elements of prevention, protection and rehabilitation. Broadly, the goals of a public health approach to gambling are to promote informed attitudes and behaviours towards gambling, prevent the development of gambling problems, protect vulnerable and at-risk populations and provide help and support to those affected by problem gambling.



The manner in which Queensland has addressed each of the priority action areas in the QRGS is discussed in Part 8 of this submission.

### **Responsible Gambling Advisory Committee**

The Responsible Gambling Advisory Committee (Committee) provides a forum for the community, gambling industry and State Government to work together to develop ethical and responsible approaches to gambling.

The Committee is an advisory body of the Queensland Government on responsible gambling-related issues. It provides strategic advice to the Queensland Government on how to minimise the negative impacts of gambling on Queenslanders. Members are drawn from community organisations, the gambling industry and relevant government agencies.

The Committee's Terms of Reference and Operating Guidelines specify its key functions are to:

- provide advice on:
  - emerging social concerns, and related economic issues, associated with problem gambling in Queensland
  - the formulation and implementation of responsible gambling policies and initiatives to ensure a socially responsible industry
  - the development and implementation of a comprehensive framework for responsible gambling programs focusing on prevention, community protection and rehabilitation
  - research priorities to inform effective prevention, community protection and rehabilitation strategies
- promote and monitor partnerships between the community, industry and government to address social concerns related to gambling
- provide a forum for the exchange of information and views between community, industry and government concerning issues relating to responsible gambling.

### **National Framework on Problem Gambling**

The Queensland Government is a member of the Ministerial Council on Gambling (MCG). The MCG was established by the Coalition of Australian Governments (COAG) in April 2000 following the Productivity Commission's previous Inquiry into Australia's Gambling Industries. Queensland contributed to the development of the 2004-2008 National Framework on Problem Gambling developed by the MCG in 2004.

Queensland, in addition to implementing the priority action areas identified in its own Queensland Responsible Gambling Strategy, has also focused on key priority areas and objectives established in the National Framework. The manner in which Queensland has addressed each of the key focus areas in the National Framework is discussed in Part 8 of this submission.

### 3 Gambling activity in Queensland

From the very early days of legalised gambling in Queensland, the objectives of probity, integrity, fairness and consumer protection have been the cornerstones of the State's approach to gambling regulation.

#### Legalised gambling

The legislative environment in Queensland provides that gaming is unlawful pursuant to the *Criminal Code 1899* unless specifically permitted under the provisions of other legislation.

A brief overview of the development of legalised gambling in Queensland is as follows:

Pre-1920	On-course wagering and not-for-profit art unions permitted
1920	Queensland Government takes over the running of the Golden Casket art union with proceeds directed towards funding free public hospitals (including maternity hospitals), and other public health services such as baby clinics and bush nursing services
1962	Queensland Government creates the Totalisator Administration Board of Queensland (TAB) to offer off-course wagering
1982	<i>Casinos Control Act</i> leads to opening of casinos on the Gold Coast (1985), Townsville (1986), Brisbane (1995) and Cairns (1996)
1991	<i>Gaming Machine Act</i> leads to the introduction of gaming machine gambling in licensed clubs and hotels in 1992
1996	Keno Act leads to expansion of keno from casinos to licensed clubs, hotels and TAB agencies
1997	Lotteries Act leads to the licensing of the Golden Casket Lottery Corporation Limited as a lottery licence holder
1998	<i>Interactive Gambling (Player Protection) Act</i> provides for the licensing of interactive gambling providers
1998	<i>Wagering Act</i> leads to the licensing of UNiTAB as a wagering and a sports betting licence holder

Today, legalised gambling in Queensland is permitted under the following specific legislation:

- *Casino Control Act 1982*
- *Charitable and Non-Profit Gaming Act 1999*
- *Gaming Machine Act 1991*
- *Interactive Gambling (Player Protection) Act 1998*
- *Lotteries Act 1997*
- *Keno Act 1996*
- *Racing Act 2002*
- *Wagering Act 1998*

#### Casino gaming

The first legal casino in Queensland opened in November 1985 at the Conrad Hotel and Jupiters Casino complex (now Conrad Jupiters) at Broadbeach on the Gold Coast. The second opened in May 1986 at the Sheraton Townsville Hotel and Casino (now Jupiters Townsville Hotel and Casino). The third casino, the Conrad International Hotel and Treasury Casino (now Conrad Treasury) opened in Brisbane in April 1995. Tabcorp Holdings Limited through its wholly owned subsidiaries own and operate these three casinos. The fourth casino to commence operations was the Reef Hotel Casino in Cairns which opened in January 1996. This casino is owned by the Reef Casino Trust and is operated by Reef Corporate Services Ltd.

The casinos offer table games, gaming machines and keno. There is a restriction on the maximum number of table games approved for use at each casino. Gaming machine numbers are generally limited to 12 times the number of approved table games at each casino.

The following table games are authorised under the *Casino Gaming Rule 1999* for play within Queensland casinos:

* Blackjack	* Mini dice	Texas hold'em bonus poker
* Baccarat	Pai Gow	* Triple Penny Two Up
Caribbean Stud Poker	* Roulette	* Two-up
* Craps	Sic Bo	3 Card Poker
* Mini-Baccarat	* Spanish Blackjack	4 Card Poker
Manilla Poker	Texas hold'em poker	* Wheel of Fortune

Exclusivity arrangements associated with the Casino Agreement Acts mean that games marked \* or any variation or derivative, including gaming machine games, are only to be provided in a casino.

### Charitable and non-profit gaming

Charitable and Non-Profit gaming (often referred to as minor gaming) encompasses fundraising activities conducted by eligible associations (such as charities, schools and sporting associations) and non-profit promotional lotteries/competitions. The activities normally conducted under this category include:

Art unions	Calcutta sweeps
Bingo	Raffles
Lucky envelopes (eg break-open tickets)	Promotional games (eg trade promotion lotteries)

### Gaming machine gaming

There is no distinction between the type of gaming machines or games permitted in clubs and hotels with the exception of any casino table variation or derivative. There are however, different maximum numbers of gaming machines permitted in clubs and hotels. These are currently 280 for clubs and 40 for hotels. There are different taxation rates applicable to clubs and hotels and these are set out in detail in Attachment 1.

### Interactive gambling

The *Interactive Gambling (Player Protection) Act 1998* addressed the complex and rapidly evolving need to protect players wishing to participate in games offered on the Internet and by other forms of interactive gambling. Interactive gambling covers all games accessible in the home via telecommunication means except for certain exemptions provided for under the *Interactive Act* such as wagering conducted under the *Wagering Act* and trade promotion art unions conducted under the *Charitable and Non-Profit Gaming Act*. There are no current licensees under the *Interactive Act*.

### Keno

Statewide keno is conducted under an exclusive licence by Jupiters Gaming Pty Ltd (Jupiters). A keno game is drawn approximately every three minutes by a random number generator at Jupiters Brisbane. Keno is available at casinos, licensed clubs, hotels and TAB agencies via an agency agreement

### Lotteries

The state-owned Golden Casket Lottery Corporation Limited (GCLC) conducted commercial lotteries under an exclusive licence up until April 2007. On 16 April 2007, the State sold its shares in the GCLC to Tatts Group Limited. The *Lotteries Act 1997* was amended to create a two tier licensing system for the conduct of lotteries in Queensland. Through this new two tier system, the State's wholly owned subsidiary, the Queensland Lottery Corporation was granted a lottery licence and the Golden Casket granted a lottery operator's licence to conduct lotteries under a "lottery operation agreement" entered into with the lottery licensee.

The following games are conducted under the licence:

Saturday Gold Lotto	Super 66	Powerball
Wednesday Gold Lotto	Pools	Golden Casket
Oz Lotto	Promotional Lotteries	Instant Scratch-its

### Wagering

Wagering involves betting on racing events including galloping, harness and greyhound racing and other sporting events. The *Wagering Act 1998* provided for the regulation of wagering by the then Queensland Office of Gaming Regulation, now OLGR. The Act provided for TABQ Limited (now UNiTAB Limited) with exclusive race and sports wagering licences for a period of 15 years. UNiTAB was subsequently privatised in 1999. In 2006, UNiTAB was acquired by Tatts Group Limited.

Bookmakers are also a part of wagering in Queensland. The *Racing Act 2002* allows bookmakers to conduct fixed odds bets on race events and sporting contingencies while on-course at racing meetings.

### **Profile of the Gambling Industry in Queensland**

A brief overview of the gambling industry in Queensland (as at 31 December 2008) is as follows:

- 4 casinos with 241 operational tables and 3,461 operational EGMs
- 560 clubs with 23,063 gaming machines
- 764 hotels with 18,673 gaming machines
- 1 lottery licence with 1,116 agents
- 1 Keno licence with 803 terminals
- 1 wagering licence with 795 sites
- 246 major charitable and non-profit (Category 3, where gross ticket sales exceed \$20,000) draws were carried out in Queensland in 2008

Since the deregulation of minor gaming in Queensland in 1999, OLGR does not collect data on this form of gambling. Recent estimates suggest that there are approximately 20,000 organisations operating minor gaming in Queensland.

### **Gambling expenditure in Queensland**

With respect to gambling expenditure in Queensland, the EGM market has grown at a greater rate than the casino, keno, lottery and wagering markets. The growth in these markets over the past decade has matched or been lower than inflation, suggesting that these are mature markets. Conversely, the electronic gaming machine market has yet to mature in an economic sense.

The table below shows gambling expenditure in Queensland for the past three financial years:

Gambling Stream	2005-06	2006-07	2007-08
Casinos	\$578,400,403	\$525,803,048	\$560,345,564
EGMs	\$1,775,560,501	\$1,676,657,229	\$1,802,217,389
Keno	\$86,012,302	\$79,342,535	\$86,249,368
Lotteries	\$362,661,359	\$389,125,836	\$406,029,365
Wagering	*\$342,633,923	\$367,673,875	\$369,892,650
<b>Total</b>	<b>\$3,145,268,487</b>	<b>\$3,038,602,524</b>	<b>\$3,224,734,336</b>

The tables below are based on the most recently available data from the Australian Gambling Statistics (2005-06), and show Queensland's total gambling expenditure and per capita expenditure compared to other Australian jurisdictions:

*Total gambling expenditure 2005-06 (\$ million)*

	QLD	NSW	VIC	SA	WA	TAS	ACT	NT	Australia
EGM	1,776	5,024	2,472	751	0	109	192	57	10,381
Casino	578	638	1,027	125	344	100	19	99	2,930
Keno	86	84	6	14	0	20	1	0	211
Lotteries	363	527	389	99	241	29	18	16	1,683
Wagering	*318	800	663	109	244	28	27	133	2,323
Other	-	-	-	11	21	-	-	15	47
<b>Total</b>	<b>3,121</b>	<b>7,072</b>	<b>4,559</b>	<b>1,109</b>	<b>850</b>	<b>287</b>	<b>257</b>	<b>319</b>	<b>17,575</b>

\* Queensland wagering expenditure data relating to unclaimed dividends and unpaid fractions is not included in the Australian Gambling Statistics in order to match the data provided by other jurisdictions. Queensland includes unclaimed dividends and unpaid fractions in the total wagering expenditure for its official figures.

*Per capita gambling expenditure 2005-06 (\$)*

	QLD	NSW	VIC	SA	WA	TAS	ACT	NT	Australia
EGM	585	964	635	624	0	295	764	391	663
Casino	191	122	264	104	223	270	75	678	187
Keno	28	16	2	11	0	55	3	0	13
Lotteries	120	101	100	83	157	79	72	110	108
Wagering	105	154	170	90	158	77	107	916	148
Other	-	-	-	9	14	-	-	101	3
<b>Total</b>	<b>1,029</b>	<b>1,357</b>	<b>1,170</b>	<b>922</b>	<b>552</b>	<b>776</b>	<b>1,022</b>	<b>2,197</b>	<b>1,123</b>

Further information on gambling expenditure in Queensland is available from [www.olgr.qld.gov.au](http://www.olgr.qld.gov.au) as well as the Australian Gambling Statistics, published by Queensland Treasury's Office of Economic and Statistical Research.

## 4 Participation and profile of gamblers

### Queensland Household Gambling Survey

OLGR and the Office of Economic and Statistical Research have conducted the Queensland Household Gambling Survey in 2001, 2003-04 and 2006-07. The table below contains the gambling group prevalence rates estimated by these surveys.

Gambling Group	Percentage Estimates			
	2001	2003-04	2006-07	Percentage point change 2003-04 to 2006-07
Non-gambling	15.1%	19.7%	24.7%	+ 5.0% (statistically significant)
Recreational Gambling	73.2%	72.4%	67.3%	- 5.1% (statistically significant)
Low Risk Gambling	8.2%	5.3%	5.7%	+ 0.4% (not statistically significant)
Moderate Risk Gambling	2.7%	2.0%	1.8%	- 0.2% (not statistically significant)
Problem Gambling	0.83%	0.55%	0.47%	Change of less than 0.1% (not statistically significant)

Reports outlining the methodology utilised and the results of each survey are available from [www.olgr.qld.gov.au](http://www.olgr.qld.gov.au).

The Queensland Household Gambling Survey has used the Canadian Problem Gambling Index (CPGI) for each survey since 2001. This ensures the results of the surveys can be compared over time and the effects of policies and initiatives examined. In 2005, the paper *Problem Gambling and Harm: Towards a National Definition* was prepared by the SA Centre for Economic Studies for the Ministerial Council of Gambling. All gambling legislation in Queensland was subsequently amended in 2008 to adopt this national definition. Further, the paper confirmed the CPGI as “the preferred measurement tool for population-level research”.



## 5 Impacts of gambling

### Queensland Household Gambling Survey

Since 1999, Queensland has introduced a further range of harm minimisation initiatives as part of its on-going commitment to ensuring there is an appropriate balance in the provision of gambling services. The Queensland Government has sought to measure the impact of these initiatives on the Queensland population through the Queensland Household Gambling Survey.

While there has been a decline in the proportion of problem gamblers in Queensland from 0.83 per cent to 0.47 per cent from the 2001 to the 2006-07 Queensland Household Gambling Surveys, this decline is considered to be not statistically significant. Similarly, the proportion of Queenslanders at low or moderate risk of experiencing problem gambling has declined from 10.9 per cent to 7.5 per cent and again this is considered to be not statistically significant. However, there was a statistically significant decrease in the number of recreational gamblers (73.2 per cent to 67.3 per cent) and an increase in the number of non-gamblers (15.1 per cent to 24.7 per cent) between the 2001 and the 2006-07 Queensland Household Gambling Surveys.

Reports outlining the methodology utilised and the results of each survey are available from [www.olgr.qld.gov.au](http://www.olgr.qld.gov.au).

### Other studies regarding the impacts of gambling in Queensland

Other studies commissioned by the Queensland Government (available from [www.olgr.qld.gov.au](http://www.olgr.qld.gov.au)) include:

- [Gambling by Employees of Queensland Gambling Venues: Workplace Influences on Responsible Gambling and Problem Gambling](#)

This was the first known study to quantitatively examine workplace influences on the gambling behaviours of gaming staff. The results of the study indicate that gaming venue staff are a very active group of gamblers with higher than average rates of problem, moderate risk and low risk gambling.

- [Responsible Gambling Strategy for Older Queenslanders](#)

This research focused on the attitudes and patterns of behaviour associated with electronic gaming machine use by those aged 60 and over. The prevalence of problem gambling found in the survey sample (414 respondents) was two per cent (compared to 0.47 per cent in the general population). The prevalence of low and moderate risk gambling was also higher in the sample than the general population.

## **Consumer issues arising from gambling in Queensland**

The consumer issues arising from gambling are varied but may include problem gambling, issues related to the fairness of games and indirect impacts on local communities.

Consumer protection is a central focus of Queensland's approach to gambling regulation. The manner in which OLGR addresses consumer protection issues is discussed in Part 7.

## 6 Taxation and regulatory arrangements

### Taxation rates for gambling products in Queensland

Information on taxation rates for gambling products in Queensland is contained in Attachment 1 and also available from [www.olgr.qld.gov.au](http://www.olgr.qld.gov.au).

The table below shows gambling taxation revenue collected by the Queensland Government for 2006-07 and 2007-08:

Gambling Taxes	2006-07 (\$'000)	2007-08 (\$'000)
Casino tax	51,267	50,667
Gaming machine	488,500	533,598
Gold Lotto	158,438	162,608
Golden Casket	42,099	42,817
Keno tax	13,229	17,638
Wagering tax	36,445	36,670
<b>Total</b>	<b>789,978</b>	<b>843,998</b>

### Gambling regulatory environment in Queensland

#### Licensing of gambling in Queensland

The regulatory arrangements for most types of legalised gambling are strongly dependent on the licensing of individuals and organisations involved in commercial gaming operations. An overview of the categories of licences and the activities necessary to determine whether a licence should be issued is given below. The comprehensive application process required as part of the arrangements is designed to ensure that the community's high level of confidence in the fairness and honesty of legalised gambling operations is maintained.

The gambling licensing structure is as follows:

- Individual licences are designed to assess the probity and suitability of the particular person who is to be permitted access to sensitive aspects of gaming operations.
- Key Employee and Key Person licences under the *Casino Control Act* are investigated similarly to individual licences but an additional determination must be made as to whether the person is suitable to perform the duties of a key employee or key person. This category applies to any person who has the power to exercise significant influence or authority over casino operations.
- Body Corporate licences are applicable to the licensing of casinos; gaming machine monitoring operators; and wagering, lotteries and Keno operations.
- Gaming Equipment licences such as gaming machine manufacturers, service contractors and repairers, ensure that the gaming equipment is manufactured,

tested, maintained and perform against appropriate technical and performance standards.

In addition, the licensing process ensures that gambling is available only in certain locations or types of facilities. For example, casino gaming is available only in designated casino/hotel complexes that offer a range of entertainment and accommodation facilities. The Queensland Government has also indicated in its 2000 *Policy Direction* that gaming machine gaming should be generally restricted to traditional hotels and clubs and they should not, for example, be permitted in “convenience gambling” venues such as shopping centres, bars and grills, ten pin bowling alleys or restaurants. Since that time, OLGR has also issued guidelines in relation to wagering agencies. Such places should not be located in close proximity to schools, child care centres and other places of community congregation and if such agencies are located in a shopping centre they should not be located in close proximity to areas frequented by minors e.g. food courts and cinemas.

### Compliance of gambling in Queensland

Compliance functions carried out by OLGR may be divided into the following three categories:

- ongoing audits and inspections to ensure that gaming operations take place in accordance with the relevant legislation
- investigations of probity and complaints/apparent breaches and, if necessary, prosecution of breaches of legislation administered by OLGR
- the review and approval of internal control systems, gaming rules and the development of operational policies and procedures to ensure the integrity of gaming.

The first function includes scheduled visits by gaming inspectors and compliance audits that encourage a culture of responsible management of gaming operations at venues.

The second area of responsibility consists of investigations by financial and other investigators into probity and into apparent breaches of legislation. Depending on the type of breach and evidence obtained, an inspector may take appropriate action, which may be a warning, a letter of censure, a prosecution or a show cause proceeding against the licence of an individual or a gaming operator.

The third function involves regular liaison with gaming operators to develop policies, procedures and gaming rules for the proper control of gaming.

## 7 Consumer protection measures

Consumer protection has been a cornerstone of Queensland's approach to regulation since the first legislation legalising gambling was introduced. The State took control of wagering and lottery operations early in their development in Queensland to ensure the integrity and fairness of these products. The introductions of casinos and electronic gaming machines into the Queensland marketplace were similarly characterised by the prominence of consumer protection measures in the approaches taken to developing legislation. Consumer protection has remained a central element of Queensland's approach to gambling regulation, as is evident in the measures discussed below.

### Consumer protection in gambling approvals

The regulation and control of gambling is designed to protect players and the community by:

- ensuring probity of gambling providers
- ensuring integrity and fairness of gambling products
- minimising potential harm – through the community, industry and Government working together to minimise gambling-related harm and fostering safer and more responsible gambling environments.

#### Probity

Individuals and organisations involved in commercial gambling operations undergo a comprehensive licensing/approval assessment process to ensure that the community's high level of confidence in the fairness and honesty of legalised gambling operations is maintained.

Depending on the type of licence/approval, the range of checks undertaken could include fingerprinting of individuals, criminal history checks, and investigation into a person's background, work and financial history.

Once licensed/approved, the individual/organisation is subject to ongoing monitoring and where appropriate, regular audits, to ensure their continued suitability to be involved in the provision of gambling services.

#### Integrity and fairness of products

It should be noted that the object of all gambling regulation in Queensland is to ensure, on balance, the State and the community as a whole benefit. This balance is achieved through a system of regulation and control designed to protect players and the community.

All gambling products go through a rigorous approvals process that entails the testing of games, equipment, systems, internal controls and game rules against relevant standards to ensure that in an operational environment gambling is conducted in accordance with appropriate standards. An example of the range of technical

standards which gaming equipment must meet and that incorporate significant consumer protection requirements are at Attachment 2.

Gaming machines are tested against the Australian and New Zealand Gaming Machine National Standards and Queensland Appendix. OLGR adopts the following general principles in relation to assessing new games and products:

- a) Game features that are considered to breach player fairness principles will be prohibited. For example: non-linear pay-tables.
- b) Game features deemed to be likely to mislead players will be prohibited. For example: where a game feature appears to involve physical skill.
- c) Game features that could reasonably be adjudged to increase average base game betting levels will be subject to close regulatory scrutiny. For example: features cannot be dependent upon the betting of further credits to access the feature.
- d) Game features that could reasonably be adjudged to induce players to gamble more than they otherwise would be subject to close regulatory scrutiny. For example: metamorphic games are prohibited.
- e) Free game features will be subject to close regulatory scrutiny to ensure players have a fair and reasonable chance of winning the free games. For example: games with more than 25 free games are subject to greater scrutiny.

Examples of specific measures that have been imposed on consumer protection grounds include:

- prohibition of “near miss”
- prohibition of “auto play”
- restriction on “gamble” functionality to no more than five consecutive attempts
- display of odds of winning information via on-screen player information display in addition to static artwork or signage
- truly independent and random result determination (no “reflex” machines, which react by changing prize likelihood on the basis of recent history)
- accurate representation of simulated card and dice games

Queensland’s approach to consumer protection for gambling products includes informed choice (such as information about how games work, price information, expenditure statements, warnings and ethical promotions) and consumer control mechanisms (such as spending controls and pre-commitment) to empower all consumers, including problem gamblers, to make informed and deliberate choices about their gambling.

Queensland’s regulatory requirements are not intended to restrict innovation or the adoption of new technologies. OLGR recognises that gambling operators and suppliers must introduce new technologies and new games to remain competitive in today’s market. However, this must be considered in the context of the government’s overarching community protection objective. In this regard, when considering the appropriateness of new games or new technologies, OLGR also assesses the potential

of these products to enhance the capacity of the player to better understand and manage their gambling behaviour.

### Minimising potential harm

An overview of the Queensland policy and regulatory framework has been provided in Part 2 of the submission. The Responsible Gambling Code of Practice is discussed further below. Further examples of specific harm minimisation measures introduced by the Queensland Government are discussed in Part 8.

### **Consumer protection in new gambling products**

Of potential new gambling products in Queensland, the most significant are server based gaming, and mobile and Internet based active wagering, which provide both challenges and opportunities for consumer protection.

### Interactive gambling

In the mid-1990s, the Australasian Casino and Gaming CEOs Group anticipated the potential benefits and risks posed by Internet gambling and expansion of broadband services and formed an Australian and New Zealand inter-jurisdictional working group to develop a draft model for a national regulatory framework for interactive gambling (the Aus Model). This draft model aimed to ensure that the entitlements of players are protected and to minimise the impact of gambling products provided from overseas or illegal sources by prohibiting advertising and marketing by illegal operators.

Queensland's *Interactive Gambling (Player Protection) Act 1998 (Interactive Act)*, is based on this national model. The Act was designed to regulate gambling activities which may be accessible in private residences via interactive means, such as Internet gambling, telephone betting, betting via new technologies incorporating television and including, for example, future developments in the use of cable television.

The primary aim of the *Interactive Act* is to protect those wishing to participate in interactive gambling. The legislation includes provisions which prohibit access by minors and requires that adequate proof of age be supplied to a licensed provider before allowing a person to register as a player.

The extensive range of consumer protection measures incorporated in the *Interactive Act* includes enabling a player to set limits on the amount of individual and cumulative bets. Such limits may apply to a bet on a particular game or set as a maximum amount that can be wagered by a player over a period of time. A player also has access to a full history of their gambling activity, such as amounts deposited and spent, amounts bet and time spent. If a person is concerned about their own or another person's welfare and believes that the gambling habits pose a threat to the player or the player's family, an application may be made to have the player banned from participating in any form of licensed interactive gaming activity. Such a ban would prevent the player from participating in interactive gambling which is licensed in Queensland or in another jurisdiction participating in a reciprocal way in the national model.



Controls in the *Interactive Act* over advertising and marketing of interactive gambling were also incorporated to ensure that any advertising of interactive gambling products is conducted responsibly and appropriately. Consistent with other gaming legislation in Queensland, credit betting is prohibited and controls to ensure the privacy of personal information were also included.

At the time the Australian Government introduced its *Interactive Gambling Act* in 2001, Queensland had one licensee and a number of applications under consideration which were subsequently withdrawn as a result of the Australian Government's action to prohibit the provision or advertising of interactive gambling services to persons physically located in Australia. Queensland's sole licensee subsequently surrendered its licence.

The Queensland Government was proactive in anticipating the potential that this new technology offered to enhance consumer protection as well as the new risks for gamblers and responded quickly to implement appropriate regulatory safeguards.

### Server based gaming

Server based (including server supported) technologies have the ability to capture detailed information about each player's session via the server. When linked to card based gaming, this would provide the capacity to monitor each individual player's gaming habits. Such monitoring could be used in a number of ways, such as by reporting this information back to the player in a player information screen, or for monitoring by the venues and regulators. The latter two options raise issues with privacy, however, the first would allow more tailored player information, and potentially more effective player information and responsible gambling messaging to each individual.

The game parameters and consumer protection measures in server based gaming are linked to a central server rather than part of each individual machine. This could lead to opportunities as consumer protection measures can be rapidly updated on all machines connected to the same server. It also could lead to regulatory challenges as the games also have the potential to be rapidly updated and be capable of novel, currently unavailable features.

In anticipation of this new technology, in 2008 OLGR developed and released for consultation a draft principles document on "Client – Server System Gaming" to facilitate the potential introduction of this technology into Queensland (available from [www.olgr.qld.gov.au](http://www.olgr.qld.gov.au)).

Potential consumer protection measures for EGMs such as additional player information, access to information about a player's history, and the provision of educational content about gambling, could also be delivered on emerging gaming platforms. Internet gaming, interactive television, downloadable gaming and server based gaming all have the capacity to host consumer protection measures.



### Card based gaming and pre-commitment

Card based gaming incorporating pre-commitment functionality is also emerging as an international trend. Along with server based systems, card based gaming has the potential to add to the range of consumer protection measures currently employed in Queensland.

In its simplest form, card based gaming can be no more than a “licence to gamble” in the sense that a player must insert their player card into the gaming machine in order to start gaming by inserting money into the gaming machine. In its advanced form, it can be a card that incorporates a “gaming purse” which enables players to set their own parameters through the card. Those parameters enable the player to set a range of limits, including length of play per session, money played per session, either hourly, daily, weekly or monthly limits, or predetermine what will happen with wins. In particular, card-based gaming facilitates pre-commitment to certain gambling behaviour such as expenditure and time, the provision of information to players and the tracking of gambling activity.

Queensland’s approach to the regulation of card based gaming recognises that it has the potential to provide many benefits to gaming venues such as reduced cash handling and security costs, however it also has the potential to impact adversely on a player’s gaming behaviour. Consequently, Queensland will ensure that card based gaming enhances the capacity of the player to better understand and manage their gambling behaviour.

Queensland has developed draft technical guidelines for card based gaming (available from [www.olgr.qld.gov.au](http://www.olgr.qld.gov.au)). A trial of two pre-commitment card based gaming systems has been undertaken. An evaluation of the two trials is expected to be completed by early May 2009.

### **Queensland Responsible Gambling Code of Practice**

The voluntary *Queensland Responsible Gambling Code of Practice* together with a supporting Resource Manual for industry was introduced on 29 May 2002. A five-year three phase model was developed to review and report on the:

- implementation of the Code of Practice
- the “cultural shift” towards embedding the Code of Practice in business practice
- whether the Code of Practice is sustainable into the future, that is, whether industry-led promotion and maintenance of long-term, resource effective and efficient responsible gambling practices will continue.

An evaluation framework has assessed the progress of the Code of Practice towards achieving six key outcomes:

- (1) individuals, communities, the gambling industry and the Queensland Government have a shared understanding of responsible gambling practices

- (2) individuals, communities, the gambling industry and the Queensland Government have an understanding of their rights and responsibilities in relation to responsible gambling
- (3) the gambling industry provides safe and supportive environments for the delivery of gambling products and services
- (4) consumers make informed decisions about their gambling practices
- (5) harm from gambling to individuals and the broader community is minimised
- (6) people adversely affected by gambling have access to timely and appropriate assistance and information.

Performance indicators and performance measures used included the *Queensland Household Gambling Survey 2006-07*, the *Queensland Household Survey 2007*, the annual *Queensland Gaming Machine Venue Survey*, the *Code of Practice Survey* (Phase 1, 2 and 3 administered to gambling venues), and various internal reports, such as those required from the Gambling Help Service System.

The Queensland Government has provided a range of resources to assist venues in implementing and maintaining the Code of Practice. These include the *Queensland Responsible Gambling Resource Manual* that outlines how a responsible gambling environment can be created for gambling consumers. The Resource Manual has individual sections to meet the needs of Hotels, Clubs, Casinos, TAB, Keno, Wagering, Lotteries, Charitable and Non-Profit Organisations and Bingo Operators.

Other supporting publications developed to assist with implementing the Code of Practice include:

- the *Advertising and Promotions Guideline*
- *Industry Training Kit* and training DVD
- *Quick Guides* on the Code of Practice for Bingo Operators, Charitable and Non-Profit Organisations and Bookmakers.

In addition, two publications were developed to assist industry make connections with their local gambling help services:

- *Gambling Providers Contact Guidelines for Creating Links with the Local Gambling Help Service*
- *Gambling Help Services Contact Guidelines for Creating Links with Gambling Venues*.

Signage and brochures have been developed for gambling venues and include the information display board, responsible gambling posters, signs, take-away cards, Gambling Help Services' contact details, and the exclusions brochure. Responsible

gambling and problem gambling campaigns have been accompanied by signs, brochures and coasters for use in venues.

## 8 Other Queensland government programs relevant to gambling

### Queensland Responsible Gambling Strategy

The Queensland Government adopted the Queensland Responsible Gambling Strategy in 2002. The strategy is based on a public health approach to gambling and encompasses six priority action areas. The priority action areas are:

- (1) enhance responsible gambling policies and programs through research
- (2) increase community knowledge and awareness of the impacts of gambling
- (3) reduce the risk factors for problem gamblers through early intervention
- (4) develop a State-wide system of problem gambling treatment and support services
- (5) ensure gambling environments are safer and more supportive for consumers
- (6) promote partnerships to address State-wide and local gambling issues and concerns.

The Strategy is currently under review and the review report is expected to be finalised by the middle of 2009.

In implementing the above Strategy, the Queensland Government has introduced a range of measures to address problem gambling and those at risk of developing a gambling problem. A list of the range of material developed to support the implementation of the Queensland Responsible Gambling Strategy is at Attachment 3. Some of this material is discussed below.

### Responsible Gambling Code of Practice

One priority action area identified by the Strategy is to ensure gambling environments are safer and more supportive for consumers. In response to this, the Queensland Responsible Gambling Code of Practice (the Code of Practice) was developed by the RGAC and launched in 2002. The Code of Practice has been reviewed over a five year period using a three phase model incorporating implementation, cultural shift and sustainability.

The Code provides a whole-of-industry approach to the promotion and provision of responsible gambling. The Code of Practice recognises the importance of customers' wellbeing with a focus on minimising the potential harm from gambling. It commits the gambling industry to implement responsible gambling practices.

These practices are organised into the categories of provision of information, interaction with customers and community, exclusion provisions, physical environment, financial transactions, and advertising and promotions.

The Code is supported by the Queensland Responsible Gambling Resource Manual (Resource Manual) which has been developed by each industry sector in collaboration with OLGR. The Resource Manual is a practical and useful resource providing a step-by-step guide to implementing the Code of Practice. Each practice listed in the Resource Manual corresponds with those found in the Code of Practice. The Resource Manual provides a platform to share best practices across all gambling sectors.

### The Gambling Help Service System

The Queensland Government has developed a State-wide system of problem gambling treatment and support services in partnership with the Department of Communities and Queensland Health. At the end of June 2009, the Queensland Government will have provided a total of \$26.8 million since 2002 to fund these services.

In late 2006, an evaluation of the Gambling Help Service System by an external consultant took place and suggested that the fundamental model of primary, secondary and tertiary responses established by the system had been implemented and the system has been broadly appropriate for most people affected by problem gambling.

A number of issues however were identified by the consultants in their report:

- limited success of early intervention initiatives
- greater promotion of the Gambling Help Service (GHS), improved data collection systems and improved workforce training are required
- there is potential to enhance the Gambling Helpline (e.g. ability to make ‘hot’ referrals)
- there is a need for greater coordination or modes of shared care with health services (due to co-morbidities such as mental illness or substance abuse)
- services to subpopulations facing particular risk (e.g. Aboriginal and/or Torres Strait Islanders, people from culturally and linguistically diverse (CALD) backgrounds, corrections populations) need further planning and development.

In response to these issues, OLGR is developing a new Gambling Help Service System (GHSS) data collection system which will improve the accuracy and quality of both direct and indirect service delivery data reported on by the GHSS. In addition, performance measures for the GHS have been agreed upon by the Gambling Help Network, Department of Communities and OLGR. Projects to identify the needs of Aboriginal and/or Torres Strait Islanders and people from CALD backgrounds in relation to the delivery of appropriate gambling help services are currently underway.

### Community Education Campaigns

Community education campaigns have been developed and delivered using a research base. The Responsible Gambling Awareness Campaign aims to encourage responsible gambling behaviour among 18-35 year old males, a group that were identified through research as being potentially at risk. The messages were tested for their effectiveness before the final concepts were used in the campaign.

Queensland's "Wanna Bet?" campaign is targeted at problem gamblers. The first phase of this campaign was evaluated by an external contractor and was found to be very successful. The campaign's second phase has increased visibility in areas that were identified as having greater gambling prevalence and prevalence of gaming machines in data from the *Queensland Household Gambling Survey (2006-07)*.

### Card Based Gaming Pre-commitment Trial

The report *Analysis of Gambler Pre-Commitment Behaviour* prepared for Gambling Research Australia (GRA) in June 2006 noted that it would be prudent for jurisdictions to trial card-based pre-commitment systems prior to introduction. The current Queensland trials are informed by the findings of the Gambling Research Australia report.

### Queensland Responsible Gambling Research Grants Program

The Queensland Government has funded research projects to inform and evaluate policy development through the Responsible Gambling Research Grants. Research commissioned includes:

- efficacy of responsible gambling strategies
- ethical governance in the gambling industry
- gambling treatment programs
- cognitive-behavioural therapy
- costs and benefits of gambling in socio-economically disadvantaged areas
- older people and responsible gambling strategies
- access and gambling participation
- psychological and physiological factors influencing gambling activity
- gambling behaviour of gambling employees
- internet-based delivery of problem gambling treatment.

The following research funded by this program has been completed:

- *Young Peoples' Community Affiliation*  
(*Dr Charlotte Fabiansson, University of Western Sydney*)

The research focused on young people's gambling behaviour, experience of gambling, access to alternative leisure activities and the role of the local community as facilitator of responsible gambling strategies. The theoretical framework is based on the perception that established community social capital

and social cohesion enhances the community's ability to cater for a diversity of local activities and to facilitate implementation of responsible gambling strategies.

- *A Diagnostic Tool for the Selection of Gambling Treatment*  
*(Dr Matthew Rockloff, Central Queensland University)*

The research gathered data to create improvements in the assessment of gambling treatment in Queensland. The research program submitted an existing 'trait' scale to a large-scale validation. This scale will help predict the effectiveness of treatment modes and become a useful clinical instrument to guide effective treatment. Throughout the course of the research, information was gathered on the frequency and types of gambling problems experienced by particular sections of the population, including Indigenous Australians. A clinical trial was conducted to investigate the effectiveness of different treatment modes: including cognitive, behavioural, psychodynamic, and drug approaches. This investigation will help guide best practice gambling treatment in Queensland and contribute to the formation of gambling policy.

- *Integrity in Queensland Gambling Governance*  
*(Prof. Charles Sampford, Griffith University)*

The project examined, assessed and evaluated the extent to which key values identified by the Queensland Government, in partnership with the gambling industry and community, have been successfully realised through current government initiatives and industry practice. The main outcome of the project is a 'Responsible Gambling Integrity Framework'. This is a practical values-response framework which includes rationales for adjustments to legislation, modifications to existing industry initiatives, as well as the design of specific ethical governance tools in conjunction with industry to protect community interest and promote integrity within the gambling industry.

- *Costs and Benefits of Gambling in Socio-economically Disadvantaged Areas: Model Development Implementation and Evaluation*  
*(Dr Kerry Brown, Queensland University of Technology)*

The aim of this project was to develop an empirical model of the social and economic impacts of Electronic Gaming Machine use within a low socio-economic area with access to a high-density of gaming machines. This will enable the development of policy to balance the interests of the community in having access to gaming facilities and minimising the community harm that may flow from the hidden costs of gambling.

- *The Perceived Efficacy of Responsible Gambling Strategies in Queensland*  
*(Ms Helen Breen, Southern Cross University)*

This project assessed the perceived efficacy of the current responsible gambling strategies in selected Queensland hotels, casinos, and registered and licensed clubs. Specifically the project measured and compared the perceptions of awareness, adequacy and effectiveness of responsible gambling strategies that attempt to minimise harm and protect gambling consumers.



- *Understanding the Differences among Chinese and Australian Problem Gamblers: The Role of Cognition and Cognitive Behavioural Therapy*  
(Prof. Tian Oei, University of Queensland)

The aim of this study was to explore the nature of cognitions among the Chinese and Australian problem gamblers and test the efficacy of a cognitive behavioural therapy program among problem gamblers in the Chinese population. The project will enhance understanding of the variables relating to problem gambling amongst the Chinese population, which will help with prevention and treatment programs for this particular group.

- *Mental Health and Gambling: A Longitudinal Study of Youth*  
(Prof. Jake Najman, University of Queensland)

The research project examined the causal relationship between mental health, including substance use, and gambling behaviour amongst youth. It involved a survey of 2,000 to 2,500 youths who were administered the Canadian Problem Gambling Index at the 21 year follow up of the Mater University Study of Pregnancy and its outcomes longitudinal study. The study also examined the association between patterns of parenting and whether these protect youth from developing problem gambling behaviours. The project will provide an increased understanding of the factors contributing to gambling behaviour and allow the future development of more informed and appropriate preventative and intervention strategies.

- *Escape, Excitement and the Chasing of Losses*  
(Dr Matthew Rockloff, Central Queensland University)

This research explored the role of self-awareness and physiological arousal on electronic gaming machine players. As proposed in a recent model of problem gambling behaviour, two attractive features of the gambling experience include the ability to escape problems and the ‘excitement’ produced by the possibility of a win. In a series of experiments, the research explored how these factors influence gambling persistence in the face of losses or the ‘chasing of losses’.

- *Gambling by Employees of Queensland Gaming Venues: Workplace Influences on Responsible Gambling and Problem Gambling*  
(Dr Nerilee Hing, Southern Cross University)

This project examined the gambling behaviour of Queensland gaming venue employees and how aspects of their workplace might influence that behaviour. It also identified how gaming venues can provide a work environment conducive to responsible gambling amongst employees and discourage problem gambling amongst gaming venue staff. The research employed both qualitative and quantitative methodologies and gathered data from gaming venue employees; employers and managers; industry associations; problem gambling counsellors; their clients and the key employee union.



- *A Responsible Gambling Strategy for Older Queenslanders*  
*(Prof. Paul Boreham, University of Queensland)*

This research was concerned with the attitudes and patterns of behaviour associated with Electronic Gaming Machine use by those aged sixty-five and over. The focus of the research was on the needs and interests expressed by the group in their use of gaming venues and their knowledge of and attitudes toward current responsible gaming strategies. In particular, the research was concerned with the extent to which this groups' attitudes and behaviours regarding loss of control and counselling services may make them less likely to access responsible gambling initiatives.

Reports for completed Responsible Gambling Research Grants are available from [www.olgr.qld.gov.au](http://www.olgr.qld.gov.au).

The following research funded by this program is still to be completed:

- *Internet-based Delivery of Cognitive Behaviour Therapy vs. Monitoring, Feedback and Support for Problem Gambling*  
*(Dr Leanne Casey, Griffith University)*

Current evidence supports Cognitive Behaviour Therapy (CBT) as the best practice approach to treating problem gambling with the further advantage that CBT is easily transferred to Internet-based delivery. Internet-based delivery of treatment is touted to be more cost-effective and more accessible than face-to-face treatment. This research poses the question whether brief interventions using only monitoring, feedback and support (MFS) may be equally effective. Treatment effect sizes associated with internet-based delivery of treatment (CBT and MFS) will be compared to the treatment effect sizes of individual and group delivery of CBT in a research trial being conducted by the same researchers. 180 participants will be recruited for the trial.

- *Gambling Participation by Temporary Residents and Local Impacts: an Exploratory Study of the Sunshine Coast*  
*(Dr Bruce Doran, Australian National University)*

This study is exploring gambling in the context of leisure patterns of three nominated groups of temporary Queensland residents in the Sunshine Coast (construction and associated utilities workers; tourism and hospitality workers; elderly nomadic tourists (Grey Nomads). The research provides an extra dimension to the Queensland Household Gambling Survey by focussing on itinerant populations which are not captured in that survey.

- *M-Gambling: A Strategic Social Marketing Approach to Protect Vulnerable Consumers*  
*(Dr Judy Drennan, Queensland University of Technology)*

This project is investigating the social and economic impact of mobile phone gambling (m-gambling) on consumers and developing a strategic social marketing approach for early intervention and prevention of potential harm to vulnerable

consumers. The project will identify the scope of m-gambling, its significance, and profiling of m-gambling consumers; identification of vulnerable m-gambling consumers; and a detailed strategic social marketing plan aimed at community awareness, protective attitude formation and behaviour change.

- *A Quantitative Analysis of Workplace Influences on Responsible Gambling and Problem Gambling Amongst Employees of Queensland Gaming Venues (Associate Professor Nerilee Hing, Southern Cross University)*

This is Phase 2 of a study of the gambling behaviour of gaming venue staff. Phase 1 was a qualitative analysis of key issues related to gambling by venue employees. Phase 2 is a quantitative study. It will profile the gambling behaviour of venue employees; ascertain levels of problem gambling; determine risk and protective factors in the workplace; and identify venue strategies to encourage responsible gambling amongst employees.

- *Differences in Attitudes Towards Money Between Subgroups of Gamblers: Implications for Small-card Technologies and an Exploration of the Tool and Drug Theories of Money in Gambling (Professor Alex Blaszczynski, University of Sydney)*

The purpose of this study is to investigate attitudinal differences towards money among various sub-groups of gamblers and to evaluate the changes within, and the functional relationship between, such attitudes and persistence in play during sessions. The findings of this study will inform policy-decision makers on the likely impact of technological changes to machines and use of smart-card innovations that distance the perceived value of money from the act of gambling through ‘tokenization’.

- *The Virtual Jackpot! The Socio-cultural & Environmental Context of Youth Gambling (Phase 1) (Jenny Madden, Community Solutions)*

This study aims to obtain a clearer understanding of the relationships between gambling behaviours and social, cultural, family and environmental contexts in the lives of young people in Queensland.

- *Indigenous Gambling in the Yarrabah Community (Associate Professor Nerilee Hing, Southern Cross University)*

The research will examine the prevalence of gambling and non-gambling; ascertain gambling perceptions and behaviour; as well as gambling help-seeking behaviour in Yarrabah.

- *Increasing Engagement & Enhancing Treatment Outcome: A Pilot Evaluation of a Couple-based Intervention for Problem Gambling*  
*(Dr Leanne Casey, Griffith University)*

The research will conduct a pilot study into the interactive relationship between problem gambling and relationship conflict, and in particular, evaluate the feasibility of a couple-based version of Cognitive Behaviour Therapy (CBT) for problem gambling.

- *The Virtual Jackpot! The Socio-cultural & Environmental Context of Youth Gambling (Phase 2)*  
*(Ms Jenny Madden, Community Solutions)*

This research will obtain a comprehensive understanding of the specific risk and protective factors associated with the socio-cultural and environmental contexts of young people in Queensland and the role of these contexts in the development and maintenance of gambling behaviours.

- *Assisting Problem Gamblers in the Gaming Venue: An Assessment of Responses Provided by Frontline Staff, Customer Liaison Officers and Gambling Support Services to Problem Gamblers in the Venue*  
*(Associate Professor Nerilee Hing, Southern Cross University)*

This project will examine how and how appropriately frontline staff and customer liaison officers respond to and assist patrons with gambling problems in Queensland gaming venues, and how venues interact with local gambling help services to provide this assistance. It will also identify gaps in relevant staff skills, knowledge and responsible gambling training, any other facilitators and barriers to providing appropriate assistance, and best practice examples.

### Queensland Responsible Gambling Teaching Resource Kit

The Responsible Gambling Teaching Resource Kit contains a range of modules, idea sheets and resources to help teachers implement responsible gambling education in the classroom. The resources are most suited to students in the middle and senior phases of learning. The Responsible Gambling Teaching Resource Kit was released in October 2004 and distributed for free to schools throughout Queensland. Mathematics modules and supplementary materials were distributed to Queensland schools in late 2006.

A number of evaluations have informed development of the Kit. The Kit evolved following the Lighthouse Project evaluation which found that the Responsible Gambling Curriculum modules in use at the time were considered difficult to use by teachers, and by January 2003, work had commenced on the current Responsible Gambling Teaching Resource Kit.

The evaluation of the Teaching Resource Kit in 2005 led to the development of maths modules, a professional development program and relevant updates to the Kit. This evaluation found that only 12.5 per cent of respondents had used the Resource Kit with their students.

A second evaluation surveyed all Queensland schools that had received a copy of the Resource Kit to measure the current implementation and integration of the Resource Kit into the school curriculum. Only 15.9 per cent of survey respondents had used the kit with their students. The results from the evaluation will be used to inform an assessment of the ongoing delivery and development of the Kit.

### Queensland *Responsible Gambling* and *Wanna Bet* Communication Campaigns

In 2002, the Queensland Government provided all gambling venues with “Are you gambling with more than your money?” signs and takeaway cards. This initiative was undertaken to support gambling providers in meeting their obligations under Section 28 of the Gaming Machine Regulation 2002 and as a demonstration of individual venue commitment to the Queensland Responsible Gambling Code of Practice.

On 6 July 2006, the Queensland Government approved the production of a new series of signs which are known as the “Wanna bet?” campaign. These signs have been developed to target people experiencing problems as a result of gambling and encourage them to seek assistance.

The key message of the Campaign is “If gambling has become more important than other things in your life - you have a problem”. The secondary message is that “Help is available”. The tagline “Wanna bet?” is designed to counteract the denial which many problem gamblers express when they encounter messages which may make them uncomfortable. All messages contain a strong call to action to contact the Gambling Helpline or local Gambling Help Services.

### **National Framework on Program Gambling**

The manner in which Queensland has addressed each of the key focus areas in the National Framework is discussed below.

*Focus Area 1) Public Awareness, Education and Training – to promote a greater understanding of the nature of the gambling product, the potential for harm and the availability of help and support.*

Queensland has aimed to build community awareness of problem gambling issues and services through market research and concept development of Gambling Help Services signage at venues and implementation of new problem gambling campaign signage.

Examples of specific initiatives include market research to evaluate the effectiveness of problem gambling signs and takeaway cards at Queensland gambling venues that promoted the availability of Gambling Help Services, concept development and testing of new venue signage concepts targeting problem gamblers, and installation of new signs in venues targeting problem gamblers. Furthermore, a print campaign targeting problem gamblers was run in newspapers across the State and promoted the 13 regional Gambling Help Services and the Gambling Help Line.

Queensland has ensured that education and awareness campaigns are cognisant of various populations within the community through continued implementation of Queensland's Responsible Gambling Communication Strategy initiatives, such as the Responsible Gambling Community Awareness Campaign, provision of new community education materials to the 13 Gambling Help Services, participation at exhibitions and festivals, and enhancing the responsible gambling education materials through new resources and a teachers' professional development program.

Gamblers have been provided with access to consumer information about the nature of gambling products. For example, statistics on the chances of winning major prizes is required by the Queensland Responsible Gambling Code of Practice. Access to information has been enhanced by the Player Information research project which was undertaken to determine how best to provide low and moderate risk electronic gaming machine players with meaningful and effective player information in order to make informed decisions. This research has led to an amendment of Technical Standards for new gaming machines in Queensland to incorporate requirements for an information button and a player information screen displaying the chances of winning the major prize in an easy to understand narrative format.

OLGR has promoted the range of benefits in attending training in responsible gambling across a number of mediums. The Queensland Responsible Gambling Code of Practice states the importance of ongoing Responsible Gambling training. Furthermore, mandatory Responsible Service of Gambling training will be required for venue employees directly involved in the delivery of gaming services.

Promotion of Gambling Help Services and exclusions is included in the Responsible Gambling Communication Strategy and Problem Gambling Community Awareness Campaign. The Queensland Responsible Gambling Code of Practice includes provisions for promoting availability of exclusions from gambling on-site at gambling provider's premises. Extensive training in the exclusions framework is undertaken by the industry and is supported by OLGR.

*Focus Area 2) Responsible Gambling Environments - to minimise the likelihood of recreational gamblers developing problem gambling behaviours.*

The Queensland Gaming Commission considers community needs in all circumstances for increases of new or existing electronic gaming machine installations. The Queensland Gaming Commission considers a site's standard of responsible gambling practices when determining certain material changes to a licence. A responsible gambling checklist has been developed for applicants seeking an increase in machine numbers or trading hours which is required as part of the assessment process.

The Queensland Government undertakes ongoing monitoring of the commitment status of the industry to the Queensland Responsible Gambling Code of Practice. Gambling providers are surveyed to determine their level of commitment to the voluntary Code. Reviews have been conducted of the three phases of the Queensland Responsible Gambling Code of Practice implementation.

Promotion of the availability of venue based interventions for gamblers occurs on-site to target those customers experiencing problems with their gambling. To further promote exclusions, the industry has:

- displayed required signage to alert customers that exclusion from the venue is an option
- chosen to display exclusion brochures developed by OLGR, offering customers and their friends and family more information on exclusions
- designated Customer Liaison Officers (CLOs) as site contacts for customers seeking assistance with exclusions or any responsible gambling issues.

Advertising and Promotions is included in the Queensland Responsible Gambling Code of Practice. An Advertising and Promotions Guideline and Player Loyalty Guideline are available for all Queensland gambling providers.

The Queensland Government is currently committed to undertaking trials of card-based gaming systems that offer consumers the ability to pre-commit. These trials will provide an evidence-based analysis of the benefits and costs of such systems.

*Focus Area 3) Intervention, Counselling and Support Services - to enhance problem gambling support and treatment services that are effective, accessible and culturally appropriate.*

The Queensland Government has maintained a problem gambling support and treatment system by funding 13 face-to-face counselling services across the State as well as a 24 hour Helpline service and an in-patient treatment facility since 2002. An independent evaluation of the Gambling Help Service System (GHSS) was commissioned to determine the GHSS's effectiveness. The Queensland Government is also supporting the National Online Gambling Counselling Service.

A Review of the Gambling Help Service System including the cultural appropriateness of services to meet the needs of Indigenous and Culturally and Linguistically Diverse (CALD) populations was undertaken. Exploratory research to determine the most effective way to provide services to Indigenous and CALD communities is currently underway.

Queensland requires gambling counsellors to be trained to an appropriate level. In Queensland, under the Department of Communities' Standards for Community Services, gambling counselling services are required to employ staff with appropriate training and qualifications or recognised expertise and experience. Staff have access to free training through the Integrated Skills Development Strategy on a range of topics related to assisting problem gamblers.

Queensland has agreed to consider issues in relation to the development of a National Minimum Data Set (NMDS) for gambling support, intervention and treatment services.



*Focus Area 4) National Research and Data Collection – to inform the development and further development of the national framework and its strategies.*

### National Gambling Research Program

In April 2001, the Ministerial Council on Gambling (MCG) agreed to form a working group to develop a national gambling research program. Representatives from all Australian jurisdictions were on the working group. The benefits were clearly articulated of a combined multi-jurisdictional group devoted to developing a national gambling research program and commissioning research to provide a better understanding of problem gambling at a national level. The MCG agreed that the working group would seek to monitor current research programs within the Australian jurisdiction and facilitate new research initiatives on a national basis. The working group is now known as Gambling Research Australia (GRA).

Queensland is an active member of GRA and participates in procurement panels for research grants and also reviews draft research papers.

Reports on research commissioned by GRA are as follows:

- Analysis of Australian Gambling Research (Report 1)
- Identifying Problem Gamblers in Gambling Venues
- Systematic Review and Meta-analysis of Studies on Early Intervention and Prevention for Problem Gamblers
- Problem Gambling and Harm: Towards a National Definition
- Analysis of Gambler Pre-commitment Behaviour

Other GRA studies commissioned and in progress are as follows:

- Analysis of Australian Gambling Research Studies
- Predictors of Relapse in Problem Gambling
- Children at Risk of Developing Problem Gambling
- Correlates of Gambling Related Problems Among the Australian Indigenous Population
- Exploring Indigenous gambling
- Gambling and Young People
- Gambling and the Impact of New and Emerging Technologies and Associated Products
- Factors that Influence Gambler Adherence to Pre-commitment (Phase 2)

## 9 Conclusion

Gambling has historically been a part of the Australian culture. The Queensland Government acted on its concerns about the growth in the accessibility of gaming in second half of the 1990's by conducting a Review of Gaming in 1999 and subsequently released a Green Paper on Gaming in Queensland. The Government sought community input on both the Review and Green Paper which informed the formation of its future direction for gambling in Queensland.

In its *Policy Direction for Gambling in Queensland*, released in April 2000, the Queensland Government clearly articulated its commitment to ensuring an appropriate balance in the provision of gambling services and articulated the Government's broad direction for gambling in Queensland into the future. Since the release of the Policy Direction, the Queensland Government has initiated and implemented a number of measures to achieve its policy objective and some of these have been detailed in this submission.



## Attachment 1 – Queensland gambling taxation rates

### Casinos

Casino	Licence Fee (per quarter in advance)	Tax Rate	Community Benefit Levy
Conrad Jupiters Casino (Gold Coast)	\$183,000	20% on normal play 10% on junket revenue	1%
Jupiters Townsville Hotel & Casino	\$183,000	10% on normal play 8% on junket revenue	1%
Conrad International Treasury Casino (Brisbane)	\$183,000	20% on normal play 10% on junket revenue	1%
Reef Casino Cairns	\$183,000	10% on normal play 8% on junket revenue	1%

### Keno

- Keno Tax is 29.40 per cent of Gross Revenue.
- 8.5 per cent of Keno tax to be paid into the Community Investment Fund.

### Lotteries

The monthly tax payable by the lottery licensee is equal to the sum of the following amounts:

- 62 per cent of the licensee's monthly gross revenue for the month from declared lotteries (Lotto – Powerball, Oz Lotto, Saturday and Wednesday Gold Lotto, Super 66).
- 55 per cent of the licensee's monthly gross revenue for the month from the approved lottery known as instant scratch-its.
- 45 per cent of the licensee's monthly gross revenue for the month from the approved lottery known as Golden Casket.
- 59 per cent of the licensee's monthly gross revenue for the month from the approved lottery known as Pools.
- 8.5 per cent of lottery tax to be paid into the Community Investment Fund.

Electronic Gaming Machines

Premises Type	Monthly Taxable Metered Win (\$)	Gaming Machine Tax (% of Monthly Taxable Metered Win)
	\$0 – 9,500	Nil
	\$9,501 – 75,000	17.91%
Licensed Clubs (Category 2 licensed premises)	\$75,001 – 150,000	20.91%
	\$150,001 – 300,000	23.91%
	\$300,001 – 1,400,000	25.91%
	> \$1,400,000	35.91%
Hotels (Category 1 licensed premises)	All amounts	35.91% + levy if applicable

- 8.5 per cent of Gaming Machine Tax to be paid into the Community Investment Fund.

Premises Type	Monthly Taxable Metered Win (\$)	Health Services Levy (% of Monthly Taxable Metered Win)
	\$0 – 100,000	Nil
	\$100,001 – 140,000	3.5%
Hotels (Category 1 licensed premises)	\$140,001 – 180,000	5.5%
	\$180,001 – 220,000	7.5%
	\$220,001 – 260,000	13.5%
	> \$260,000	20.0%

Wagering

- Tax rate for wagering is 20 per cent for racing and sports betting.
- Tax is payable monthly in arrears and is reduced by the amount of Global GST credit.
- 8.5 per cent of Wagering Tax to be paid into the Community Investment Fund.

## Attachment 2 – Queensland Technical Documents

These documents relate to the technical requirements for electronic gaming machines, monitoring systems, interactive gambling, QCOM protocol and card based gaming in Queensland.\*

Card based gaming

Random number generators minimum technical requirements

Casino dice minimum technical requirements

ANZ Gaming Machine National Standards (v9.0)

ANZ GM NS QLD Appendix (v 9.0.1)

Approval Locks (v1.5)

Approved Seals (v 1.5)

Requirements for the Commissioning and Ongoing Provision of Electronic Gaming Machine Services

Principles for Remotely Upgradeable EGMs (v 1.3)

Principles for functionality of Interactive Gambling Systems

Principles for functionality of Interactive Gambling Systems - Qld specific Appendix

Jackpot System Minimum Technical Requirements (v 2.1)

Jackpot display systems reqs. (v 1.2)

Client Server System Gaming (draft for comment)

\* All OLGR technical documents are available at [www.olgr.qld.gov.au](http://www.olgr.qld.gov.au)

## Attachment 3 – Examples of Responsible Gambling Resource Material\*

### Queensland Responsible Gambling Strategy

#### **Queensland Responsible Gambling Code of Practice & Resources:**

Queensland Responsible Gambling Code of Practice

Queensland Responsible Gambling Code of Practice Resource Manual

Charitable & Non-Profit Quick Guide

Bingo Quick Guide

Bookmakers Quick Guide

Advertising & Promotions Guideline

Guidelines for Player Loyalty Programs

Code of Practice Industry Training Kit & Training Framework for Industry

**Responsible Gambling Signage** - Required signs, Black & white Gambling Help Contact numbers sign, Colour Gambling Help contact numbers sign

Clubs - Volunteers Guide 2006

Information Sheets, Brochures & Miscellaneous eg Identifying Patrons At Risk, Business Tools Fact Sheet, Contact Points for Responsible Gambling, Exclusions Legislation Protecting Gambling Consumers, Looking for a Few Hot Tips, Information on Gambling Exclusions, Looking for Some Hot Tips, Are you Gambling with a Child's Future? Gamble Responsibly coasters, Don't Wait Till You Hit Rock Bottom card, Contact Guidelines for Creating Links with Gambling Providers, Venues Making a Difference for Patrons from Non-English Speaking Backgrounds

Responsible Gambling Teaching Resource Kit, including:

Responsible Gambling Education Principles and Guidelines

Education modules - HPE Module - Gambling and Health: Communication Skills (Level 5), Gambling Minimising Health Risks (Level 6); The Arts Module - In control: Taking responsible risks (Level 4); Maths Module - What chance do I have? (Level 3); Should I or shouldn't I? (Level 4); What are my chances? (Level 5); What are the odds? (Level 6); Senior Mathematics A Responsible Gambling Education Module; Senior Mathematics B Responsible Gambling Education Module

Resource sheets - Well, is it gambling or not? The games we play, Gambling questionnaire, Some history 3, Changes and continuities, Adult population by gambling group, Adult population by gambling group 2003-2004, Non-problem gambling and low risk gambling, Recreational gambling 2003-2004, Problem gambling and moderate risk gambling, Low risk and moderate risk gambling 2003-2004, Problem gambling 2003-2004, Correlates and problem gambling, Problem gambling comorbidities 2003-2004, Help seeking behaviour, Help seeking behaviour #2 , Gambling activity, Regional variations, Constructing a consequence wheel, Definitions of health, Action research sheet , TELSTAR Model

Idea Sheets - The games we play, As time goes by, Bully bookies, Youth media campaign, Dial a debt, Gaming machines are big business, Voices, Responsible gambling Melbourne Cup style

Websites - School Stuff I and II

### **Other**

The Truth about Gaming: How Does an Electronic Gaming Machine Work (Booklet)

Self-Help Manual (You can Control Your Gambling Booklet)

Evaluation of the Queensland Responsible Gambling Strategy 2008: Discussion Paper

\*All responsible gambling resource material and publications are available at [www.olgr.qld.gov.au](http://www.olgr.qld.gov.au).