

AUSTRALIAN GOVERNMENT PRODUCTIVITY COMMISSION SUBMISSION

Draft Report into Gambling

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Submission by:

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Executive Summary

RSL (Qld Branch) appreciates this opportunity to make a submission to the Australian Government Productivity Commission in regards to the Draft Report into Gambling.

The RSL is a Not for profit, totally independent, apolitical organisation run by its members, for its members including members of the ex-service community and current serving members of the Australian Defence Force (ADF).

The RSL (Qld Branch) oversees the administration of 10 Regional District Offices, and 255 Sub Branches representing 40,000 members in Queensland and provides vital advocacy services and support for all current and ex-serving ADF personnel.

The RSL, serves the needs of its members by:

- Providing a means for members to enjoy camaraderie and mateship;
- Providing welfare, advocacy and social support services to those members and other ex-service men and women when they require it;
- Running commemoration and remembrance activities in the local community
- Fostering community spirit and citizenship by supporting young people, education, local communities and organisations

Economic and Social Contributions

RSL Clubs make a significant contribution to each of their local communities. This support can only be provided by the fact that these clubs are financially sustainable from their operations and which in most cases, the major component of revenue is from Electronic Gaming Machines (EGM's).

In conjunction to the major revenue contributor - gaming, other revenue streams provide some support to the club and community, in terms of income from memberships, food and beverage sales and fundraising efforts of clubs and a large number of volunteers who work tirelessly for their communities and members.

RSL Clubs also play an important social and entertainment hub in a number of communities which allows local citizens to meet, socialise and be entertained within their local region as there may be few, if not, no other options available in some areas.

Any further financial impact or reduction of gaming revenue would significantly impact the availability of these venues and support to the local community, and in some cases may even put in jeopardy the existence of venues which could be financially unsustainable with the impact of a number of these recommendations. The impact of a closure of any RSL Club within the state is one which has significant consequences to local communities, but also to the lives and future of our returned and current defence force personnel.

Future Investment in Communities

Future investment is vital in local communities and facilities and can only be accomplished with the availability of income and funds from gaming proceeds. Implementation of this report's recommendations would substantially impact the available funds to redevelop and refurbish local community clubs and facilities.

Responsible Gambling

RSL (Qld Branch) supports and is firmly committed to all legislation and standards surrounding Responsible Gambling in venues. Staff have been trained in responsible gambling and understand the process involved with dealing with any issues.

Recommendations

The following recommendations, are cause for concern to the operation and financial sustainability of venues and therefore associated impact on the local community and provision of essential services.

Draft Recommendation 7.1

Governments should modify existing self-exclusion arrangements so that:

- self-exclusion applies to all venues in a jurisdiction, triggered by a single, simple application by the gambler concerned
- people who have self-excluded would be placed on a state-wide database
- venue staff request identification from gamblers collecting cheques for major prizes.

As in Victoria, there should be confiscation of prizes won by persons shown to be in breach of self-exclusion orders.

- The administration and implementation of a single application across the state must have the considerations of the cost involved, time required, resource availability and technology infrastructure impacts to individual venues, which do not have large human resources basis to comply with additional requirements
- Major Prizes should be considered to be over \$10,000 or more for requirements of identification. Any lower limit would have additional requirements placed on venue staff.

Draft Recommendation 7.3

Governments should ensure a more coherent approach to the diverse set of existing provisions for self-exclusion periods and revocation by requiring that:

- self-exclusion agreements run for a minimum of six months
- people signing deeds of exclusion be able to reverse their agreement within 24 hours
- agreements for periods of three years or less cannot be revoked until at least six months after their starting date, while agreements for periods of more than three years cannot be revoked until at least one year after their starting date
- revocation only be permitted after evidence of attendance at a counselling service and the judgment by an appropriate professional about the capacity for the person to safely gamble
- people seeking revocation should, after a successful application, face a period of up to three months before it takes effect
- subject to evidence and due process, there be a capacity for family members to make applications for third party exclusions and for nominated venue staff to initiate involuntary exclusions of gamblers on welfare grounds.

- The ability for a patron to revoke a self exclusion within 24 hours could be a concern in terms of a patron having the ability to change their earlier decision if it was based on certain welfare grounds
- Capacity of family members to exclude should only be based on welfare and financial grounds, no other grounds, including family disputes should be allowed

Draft Recommendation 7.4

Governments should implement by 2016 a universal pre-commitment system for gaming machines that:

- provides a means by which players could set personally-defined precommitments and, at a minimum, a spending limit, without being subsequently able to revoke these
- encourages gamblers to play within safe spending and time limits by specifying default limits
- enables gamblers to opt-out, with periodic checking of their preference to do so
- applies to all gaming machines in all venues in a jurisdiction
- allows occasional gamblers to stake small amounts
- avoids identity fraud
- is not complicated for gamblers to understand and use
- does not unduly affect the enjoyment of those selecting safe playing options
- presents few obstacles to future innovation in the presentation and design of the system.

- Even though a number of years away yet, the ability for smaller venues to be able to update and replace current technology with hardware and software to comply with these requirements may be financially difficult in terms of developing and implementing the required systems to run the membership databases and changes to

gaming products. The change and upgrade to machines also require additional time, resources and expenditure to implement across all venues which would be a significant impact on delivering community benefits

- Pre commitment on machines should only be set to those who may be considered moderate risk to high risk problem gamblers

Draft Recommendation 8.1

Governments should enhance existing compliance and complaints-handling arrangements by:

- enabling their gambling regulators, or accredited compliance auditors, to regularly appraise gambling venues' compliance with harm minimisation measures, both mandatory and voluntary, and publicly report their findings
- introducing a mechanism for gamblers and venue staff to make complaints to the relevant gambling regulator about venue conduct contributing to problem gambling. This mechanism should be promoted to gamblers within venues and to staff through their responsible gambling training.
- enabling their gambling regulators to publish annually the number and nature of complaints about a venue, the action taken and, where the complaint is substantiated, the name of the venue.

- Under this recommendation there would be even further obligations on venues in regard to responsible gambling requirements and it will place additional strain on the staff of the venues, which in some cases is operated only by a limited number of staff and volunteers.

Draft Recommendation 9.1

Governments should fine tune existing regulations of ATM's/EFTPOS facilities by introducing the following changes in gaming venues

- Cash withdrawals from ATM/EFTPOS facilities be limited to \$200 per day
 - ATM/EFTPOS facilities should be a reasonable distance from the gaming floor, visible to the public and venue staff, yet not gamblers from the gaming floor
 - Warning and help messages be clearly visible on the facilities
- The limit on ATM's withdrawals recommended should not be changed. In some smaller communities, the ATM in a venue may be the only available machine in the community to access funds
 - Having ATM's relocated outside of venues could cause personal security issues when patrons (especially the elderly) are required to walk distances to obtain cash, therefore increasing the chance of injury and crime.

Draft Recommendation 9.3

Governments should require venues to pay any gambling prize above \$250 by cheque or direct credit to the gambler's account, except for winnings by high rollers and international visitors in casinos.

- With the limit set at \$250 there would be significant overhead and costs associated with the payment by cheque or direct debit facility
- Patrons may also not be comfortable with providing personal banking details to the venues to arrange transfer

Draft Recommendation 11.1

In all jurisdictions, the maximum bet limit on gaming machines, other than those in high roller or VIP rooms at casinos, should be set at one dollar.

Draft Recommendation 11.2

In all jurisdictions, the maximum amount of cash that can be inserted into a gaming machine should be \$20, with no further cash able to be inserted until the maximum credit on the machine falls below \$20.

- This restriction should not apply to gaming machines in high roller or VIP rooms at casinos.

- Patrons should be allowed to determine what type of game that they play and what bet that they place
- The reduced income will have an adverse effect to the local communities which these venues support through welfare, employment and community benefits
- Change of machines to accept \$20 only at one time, would be a very costly exercise for smaller venues to adopt and update hardware and technology with limited funding

Draft Recommendation 14.3

Governments should strengthen consultation processes and incorporate the views of stakeholders, including gambling providers, manufacturers and consumer representatives, into the process of policy development. Governments should clearly specify appropriate mechanisms for providing input, and set minimum consultation timeframes that reflect the importance of the issue. Details of consultations should be made publicly available.

Draft Recommendation 14.4

Given the potentially adverse social impacts and the costs to business related to gambling policy, governments should routinely undertake regulatory impact analysis for all major regulatory proposals and make them publicly available at the time government decisions are made public.

- Future involvement from a stakeholder and venue operator perspective up front in the process of review and policy development will outline any significant concerns and issues earlier in the review and consultation process

Draft Recommendation 15.2

Governments should publicly provide timely data on:

- gaming machine numbers, expenditure and tax revenue by type of venue (club, hotel, casino) and related information on other forms of gaming, such as table games
- wagering expenditure and tax revenue by type of wagering (racing and sports)
- lotteries expenditure and tax revenue
- self-exclusion information, such as the number of self-exclusion agreements for each year that are current, have lapsed, been revoked, or breached.

- Issues around the announcement of self exclusion information, specifically in smaller communities with limited venues and population, where some information may be detrimental to members of the community.

Draft Recommendation 16.1

As far as is reasonable and practical, regulatory changes should be introduced with advance warning, and implemented at the same time, to reduce costs to venues, gaming machine manufacturers and others.

- Any changes required, should have an implementation time line available for discussion with venues so that the impact financially and operationally can be minimised both to the operation and the community involved

Community Benefits

RSL (Qld Branch) supports, sponsors and operates numerous organisations within and for local communities to provide benefits to not only members, but the wider population.

These services form a significant part of many communities and deliver benefits and services that other organisations could not provide. The following is a summary of some of the many services that will be affected with the increased administration costs across the State.

- Community Support through our welfare areas to support members and families
- Accommodation for the elderly and ailing
- Youth development and sponsorship
- Community engagement through the clubs and a facility for members and guests to be entertained and to socialise
- Pensions and Advocacy services to the community to gain DVA pensions

Employment and Training

RSL (Queensland Branch) is a considerable employer across the state, with clubs based in areas from the South East to major regional centres and numerous small towns and communities. The clubs employ a mix of staff within the local communities which include full time, part time and casual team members.

In some smaller towns and communities the RSL club may be the largest employer within the region, supporting the local economy in terms of work and employment opportunities but also local suppliers and contractors who are essentially integrated with the clubs to provide necessary goods and services.

RSL (Queensland Branch) also has considerable volunteer base within the community which provide essential benefits and assistance not only to members, but also community organisations.

With reduction in gaming revenue to support these clubs, the closure of many would have a dramatic impact to the unemployment rates in a number of small communities which may already face current employment challenges. With a reduction in employment opportunities and possible venues within a small community, may see a shift away from the support and

existence of small regional economies and communities as residents relocate to expand their employment opportunities

Conclusion

RSL (Qld Branch) has continued support of Responsible Gambling policies and acknowledges the importance of these policies for the welfare of the community.

The additional costs and decrease in revenue will have a damaging impact to the benefits that the clubs provide to the community in terms of welfare, employment, entertainment and support of many local businesses and sporting groups.

RSL (Qld Branch) would be prepared to provide further insight and assistance during future stages and recommendations of this review.

Yours Sincerely

Chris McHugh
Chief Executive Officer RSL
(QLD Branch)