

Submission by the **QUEENSLAND COMMUNITY CLUBS INDUSTRY** to the Productivity Commission's **2009 INQUIRY INTO GAMBLING**

INTRODUCTION

1. Clubs Queensland is the **Peak Industry Body for Community Clubs in Queensland**. We represent the strategic interests of community clubs' boards and management committees¹, employees and members. Clubs Queensland acts as the industry representative with all stakeholders, in particular Government, media, community associations and the broader community, on all matters affecting the Queensland Community Clubs Industry.
2. Community clubs represent a **diverse range of social activities** across Queensland. These include:
 - Surf Life Saving Clubs (protecting our beaches)
 - RSL/Services Clubs (services to returned servicemen/women and their families)
 - Sporting Clubs (sporting facilities for all ages)
 - Special Interests Clubs (advancing cultural, workers and other general interests)Although these are the principal services, all community clubs offer a range of other activities.
3. An **overarching definition of community clubs** is that they are associations of people from all socio-economic and demographic backgrounds who come together to pursue and promote common interests that tend to provide other services and facilities to the wider community. This is a common law definition; however, it is reflected in legislation such as the revamped licence categories under the Liquor Act which now designates club licence as community club licence.
4. As of 2009, there were **936 licensed community clubs in Queensland, forming an industry²** that:
 - is a major economic contributor – generates \$1.895 billion in revenue every year
 - enjoys widespread acceptance and support – approximately 3.48 million memberships are held in Queensland's community clubs
 - is a major employer – approximately 26,900 people (and a further 3,400 contractors) are engaged by community clubs in these times of increased economic uncertainty

¹ A community club that is registered under the *Associations Incorporation Act 1981* (Qld) has a management committee while one that is registered under the *Corporations Act 2001* (Cwlth) has a board.

² Social and Economic Profile of Community Clubs in Queensland (March 2009)

- supports community projects and facilities – approximately \$245 million in community contributions (cash and in-kind support) is provided by community clubs annually. This is against estimated EBITDA for all community clubs of \$312.6 million.
 - contributes enormously to social outcomes – community clubs facilitate and coordinate 4.83 million volunteer hours per annum (with a monetised value of \$104 million) for community purposes
 - offers sporting and other facilities that would only be available via significant tax increases if there are no community clubs - holds community assets with a current replacement value of \$1.777 billion. This \$1.777 billion figure does not include clubhouse and associated entertainment facilities.
5. Clubs Queensland is proud to represent a not-for-profit, membership and volunteer driven industry that provides the vast majority of Queensland’s sporting and other community facilities, thus enhancing the health and quality of life for most Queenslanders. We welcome the Productivity Commission’s enquiry into gambling. As the gambling landscape has changed significantly since the release of the first Productivity Commission report in 1999, **we hope the current enquiry will readily capture the 'realities' of the present day gambling environment**, including the extensive responsible gambling measures put in place by gambling venues. It is anticipated that findings of the current enquiry will encourage informed public debate on this recreational pursuit which is enjoyed, without any self-harm or wider negative consequences, by an overwhelming majority of Australians.
6. This **Industry Submission**³ is organised in three parts as follows:
- Part 1 profiles the Queensland Community Clubs Industry.
 - Part 2 addresses the questions contained in the Issues Paper.
 - Part 3 summaries the key points and list the major recommendations.
- As far as possible, the submission follows the format of the Issues Paper in order to maintain consistency and clarity of arguments.
7. A comprehensive but national submission has been developed by ClubsAustralia. ClubsAustralia is the umbrella organisation of peak club associations in every State and Territory of Australia. **Clubs Queensland supports Clubs Australia's submission. Our submission complements the national submission but highlights the distinctive gaming environment in Queensland**, which has necessitated this state level industry response.

For the sake of clarity, our submission does not address every question or issue outlined in the Issues Paper but only those which are directly applicable to Queensland. Discussion on federal issues, including jurisdictional comparisons, is largely left to ClubsAustralia.

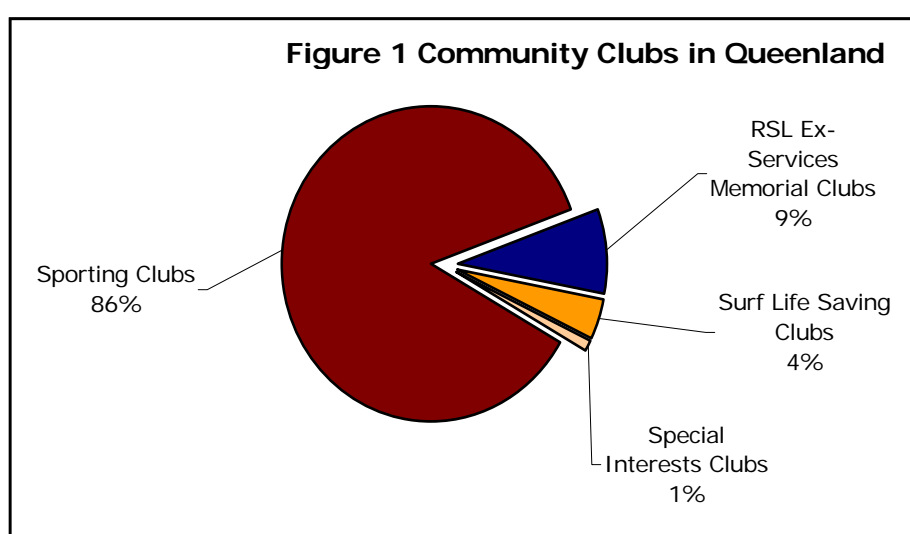
INDUSTRY PROFILE

8. There are 936 registered and licensed community clubs in Queensland. Community clubs can register either as an incorporated association under the *Associations Incorporation Act 1981* (Qld) or as a company limited by guarantee under the *Corporations Act 2001* (Cwlth). Both Acts set pre-conditions for registration, the most important being that entities must be

³ A range of stakeholders, including community clubs, have contributed to this industry submission. Clubs Queensland gratefully acknowledges their input and advice.

not-for-profit in order to gain the above registration. Registration is a prerequisite for a liquor licence which in turn is a prerequisite for a gaming licence.

9. Each community club is **governed by its constitution or rules**, which among other things outlines the objects of the club's existence or purpose. Any community club that operates beyond the scope of its constitution or rules may incur significant penalties, including suspension or cancellation of registration and gaming and liquor licences.
10. Figure 1 shows the **main community clubs types in Queensland**. The majority of community clubs are sporting clubs, for example, rugby, bowls, golf and cricket clubs. Accordingly, the majority of Queensland's community sporting facilities are provided, maintained and supported by community clubs. If community clubs are no longer able to provide facilities or the standards are not at the current level, then either the facilities would cease to exist or the Government would have to provide them instead.



Source: Clubs Queensland Database Analysis 2009

11. While community clubs vary in terms of their principal activities as stated in their constitution or rules (see paragraph 2), the **three common features of all community clubs** are their not-for-profit status, membership-based structure and community-orientated operation:
 - All community clubs are legislatively required to be **not-for-profit** entities. This means that no one is able to profit from club operations and therefore, any net surplus from club operation must be returned for the collective benefit of members.
 - **Entry to community clubs is strictly regulated** because community clubs exist for the sole benefit of their members. As such, only members, guests of members and bona fide visitors, who are all required to register at the clubs entry point, can access club facilities, including gaming.
 - There is **no individual or private ownership of community clubs**, as they are collectively owned by their members. Members elect a board or a management committee (see note 1) to oversee club operation on their behalf.

These three features distinguish community clubs from other venues that provide similar facilities and services such as hotels (pubs and taverns) and casinos.

12. Based on the above, the Queensland Community Clubs Industry is **highly regulated and controlled**.

13. As highlighted above (see paragraph 4), community clubs in Queensland make an enormous **socio-economic contribution**. As an industry, community clubs:
- generate \$1.895 billion in revenue every year
 - account for 3.48 million memberships
 - engage 26,900 individuals and 3,400 contractors
 - provide community contributions valued at \$245 million annually (against estimated EBITDA for all community clubs of \$312.6 million). This \$245 million does not include the resources community clubs provide to maintain and support the community facilities in their local communities
 - facilitate and support 4.83 million volunteer hours (with a monetised value of \$104 million)
 - offers sporting and other community facilities with a replacement value of \$1.777 billion

Based on this level of activity, community clubs directly and indirectly impact on the socio-economic well-being, including health and quality of life, of all Queenslanders.

14. Gambling is just one service provided by community clubs. **Gaming machines were introduced in community clubs on 11 February 1992 by the Goss Government which saw this as a means of arresting the deteriorating financial position of many community clubs.** The underlying view was that financially sound community clubs will be in better positions to provide vital facilities and services to their members and local communities. This view still holds true today because membership subscription income is not enough to fund the entire club operation which includes very diverse activities such as:
- provision of sporting facilities and participation in sports (such as junior coaching for tens of thousands of children, for instance Queensland soccer (70,000 children), Queensland Rugby League (45,000 children), Queensland Cricket (20,000 children), Queensland Surf Life Saving (11,500 children), Queensland Hockey (10,000 children) and Queensland Netball (40,000 children)
 - beach patrolling
 - administrative support for legacy/veteran services
 - function rooms
 - courtesy transport
 - community initiatives (such as support for anti-obesity campaign).

The RSL Clubs provide the prime example of the intrinsic value of these services. They are meeting places for returned service personnel and as such form the vital link between them and the wider community. It is very important for returned service men and women, particularly those who have served in a theatre of war, to meet socially with their fellow service veterans and RSL Clubs provide the ideal setting. RSL Clubs have enriched many lives and without them, older diggers would certainly be the poorer.

15. Community clubs discount or provide their community facilities and service free-of-charge because they are not-for-profit associations. Contrary to the common public misconception, **not-for-profit status does not mean that community clubs cannot make a surplus.** Rather, it is critical that community clubs make a surplus in order to remain solvent. As Figure 2 shows, any surplus generated through club operation is used to sustain the overall club operation, including investment in community contributions.

Figure 2 - Club Dollar



Source: Clubs Queensland and DWS Financial Analysis, 2009

16. Gaming is the major source of revenue for most community clubs but **gaming in community clubs is different in character from that in hotels** (pubs and taverns) and casinos. This is because gaming in community clubs is conducted in a not-for-profit environment (hence, '**community-owned gaming**'), compared to for-profit gaming (or '**entrepreneurial gaming**') in other venues. This difference means that while community clubs derive significant revenue from gaming machine operation, they reinvest any net surplus in the promotion of their objects, which is consistent with the rationale advocated by the Goss Government when it introduced gaming machines in Queensland in 1992. Put another way, gaming in community clubs is for community benefit.

17. In **summary**, community clubs are genuine community organisations, formed by people to pursue and promote their common interests and supported by their local communities, which greatly benefit from the existence of community clubs. Any net surplus from the club operation, including gaming, is returned for the collective benefits of members and the local communities. The club constitution or rules, among other things, determines the character and membership of a club, which means that a community club takes into consideration the needs of its local community and works with the community, rather than exists for the benefit of private ownership.

DISCUSSION QUESTIONS

The Gambling Industries

PAGE 11:

What have been the main changes to the structure (shares, ownership patterns, location) and conduct of Australia's gambling industries? What are the likely future trends? What new technological platforms for gambling are emerging? What are the impacts of these changes on gamblers, businesses, and the likely social costs and benefits of gambling?

18. In Queensland, gaming machines are restricted to three types of venues:

- community clubs
- hotels (pubs and taverns)
- casinos

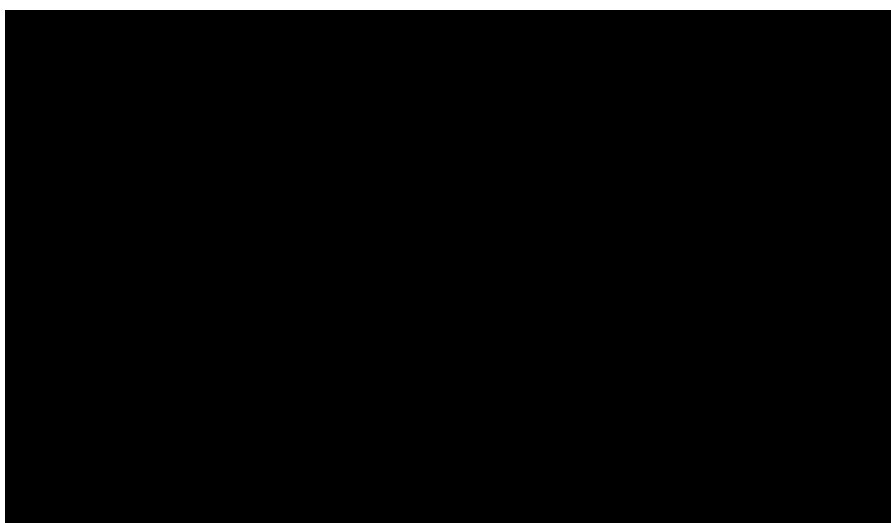
Community clubs and hotels are regulated under the *Gaming Machine Act 1991 (Qld)*, while casinos fall under the *Casino Control Act 1982 (Qld)*.

19. A number of changes underpin the structure of the gaming industry⁴ in Queensland. Table 1 summarises the key aspects. The main effect of these changes has been the removal of the Government from the market place (i.e. ownership of gaming machines) and concentrating its role in the regulation of gaming machines.

Table 1 Key Structures		
	Previously	Now
Venue Limit	250 (clubs) and 10 (hotels)*	280 (clubs) and 40 (hotels)
Gaming Tax	Turnover	Metered win
Ownership of GMs	Government	Individual Venues
Lease of GMs	Rent from Government	Buy or lease
Monitoring of GMs	Government	Licensed Monitoring Operators
*This was the initial offering in 1992. A planned increase from 250 to 300 gaming machines for community clubs and from 20 to 45 gaming machines for hotels was frozen in 2000.		
Source: OLGR website (www.olgr.qld.gov.au)		

20. While creating efficiencies, the above changes have also increased the **concentration of ownership of gaming machines in hotels**. Clubs with multiple sites under their control can only have 280 machines in total. This differs markedly with hotel groups that can have up to 40 machines in each of their hotels. As a result, some large hotel groups have thousands of machines at their disposal. Even the smaller groups have many more than 280 machines. The impact of this change has been felt at three levels: venue ownership, machine ranges and metered win.

Figure 3 shows that of the 1,325 gaming venues operating in February 2009, community clubs accounted for 42% or 559 venues, while hotels accounted for 58% or 766 venues.



Source: OLGR website (www.olgr.qld.gov.au)

⁴ For the sake of clarity, the gaming industry referred to in this submission relates to community clubs and hotel venues.

Table 2 shows that the number of gaming venues by gaming machine ranges as of June 2008. Despite the maximum limit of 280 gaming machines, the majority of community clubs (75%) were small operators, with 40 or less gaming machines.

GMs	Clubs	Percent	Hotels	Percent
1-5	37	7%	66	9%
6-10	138	25%	126	16%
11-20	136	24%	152	20%
21-30	70	12%	101	13%
31-40	37	7%	321	42%
41-100	78	14%	n/a	n/a
101-200	47	8%	n/a	n/a
200+	19	3%	n/a	n/a
Total	562	100%	766	100%

Source: Queensland Gaming Commission Annual Report 2008

Table 3 shows the overall trends in gaming machine numbers and ownership in the last ten years. The growth rate for community clubs has been 39%, compared to 176% for hotels. .

Period	Clubs			Hotels			Total	
	Number	Industry Share	Growth Rate	Number	Industry Share	Growth Rate	Number	Percent
Jun-98	16,624	71%		6,811	29%		23,435	100%
Jun-99	17,773	64%	7%	10,092	36%	48%	27,865	100%
Jun-00	18,536	58%	4%	13,360	42%	32%	31,896	100%
Jun-01	19,171	54%	3%	16,028	46%	20%	35,199	100%
Jun-02	19,280	53%	1%	17,013	47%	6%	36,293	100%
Jun-03	19,827	53%	3%	17,522	47%	3%	37,349	100%
Jun-04	20,441	53%	3%	17,811	47%	2%	38,252	100%
Jun-05	21,102	53%	3%	18,382	47%	3%	39,484	100%
Jun-06	22,024	54%	4%	18,556	46%	0.95%	40,580	100%
Jun-07	22,788	55%	3%	18,595	45%	0.21%	41,383	100%
Feb 09*	23,037	55%	1%	18,776	45%	0.97%	41,813	100%

*OLGR has not published the 2007/08 data on its website

Source: Queensland Gaming Commission Reports

Table 4 shows the total number of gaming machines and gaming revenue (metered win⁵) in gaming venues as of February 2009. While there were more gaming machines in community clubs, hotels had a greater share of gaming

revenue.

	GMs	Amount	Percent
Community Clubs	23,037	\$62,878,294	47.44%
Hotels	18,776	\$69,655,441	52.56%
Total	41,813	\$132,533,735	100.00%

Source: OLGR

21. As is demonstrated by the above tables, there has been a **significant change in the ownership percentages of gaming machines between community clubs and hotels**. The increase in machine numbers has seen:

- More community clubs providing gaming machines as part of their service offering. The additional revenue from gaming machines has allowed many community clubs to significantly enhance their venues and hospitality services. The improved services and facilities have driven higher patronage numbers and frequency of visitation by

⁵ Metered win is the gross receipts after player wins, before payment of gaming machine taxes, fees and other operational costs. It is the same as player expenditure.

members and guests. Higher volumes of patrons have determined the need for many community clubs to install extra machines to ensure balanced access to gaming machines at their venues . This dynamic is controlled by the 280 maximum cap on machine numbers at any community club. Additional revenues for community clubs has also raised the professionalism and experience of Club Managers and staff, thus also improving the services community clubs offer to members and guests.

- With the increase in hotel gaming machine numbers (privately owned) and venues there has been a “corporatisation” of the Queensland Hotel industry. Whilst this corporatisation has been not solely driven by gaming, there has been, as witnessed in other eastern states, significant consolidation of ownership within the Queensland Hotel industry. This consolidation has seen the ownership of significant numbers of hotels and their associated gaming machine licenses assumed by large publicly listed corporate entities. As Table 3 shows, there has been almost five times the amount of growth in gaming machines operated by the Queensland Hotel Industry compared to the Queensland Community Clubs Industry in the last decade.

22. **Community gaming has enabled community clubs to invest in the "hospitality" side of their business.** Community club venues provide safe meeting places for their members, guests of members and bona fide visitors. They provide a family-friendly environment for recreation, dining, entertainment and socialisation. They offer vital recreational opportunities including all forms of sports. They enable the young to more effectively integrate in the wider society (for instance, through junior sports) and discourage the aged to live in isolation (for instance, provide courtesy transport that allow them to access community clubs safely). All these make community clubs one of the most prominent social "hubs" of their local communities (see paragraph 37).
23. Appendix 1 of this submission has been provided by Maxgaming, detailing the card based pre-commitment trial at Redcliffe RSL Club. A similar trial has also been conducted at Sandgate RSL Club and Clubs Queensland understands that a report has been prepared on this trial. A card based pre-commitment system is one of the harm minimisation options available to assist problem gamblers and venues. Such a system should be optional. The appendix is included for the general reference of the Productivity Commission.
24. In **summary**, gaming machines have been a positive change for community club operations and community-owned gaming has provided significant benefits to club members and local communities. Harm minimisation is a critical factor driving technological innovations.

PAGE 12:

What have been the changes to gaming machines (numbers, location and characteristics)? Why have these occurred and what have been the impacts? What future trends are likely in the characteristics of gaming machines?

25. The trends in gaming machine numbers, venues and ownership have followed an interesting but unexpected trajectory in Queensland. This is because when gaming machines were introduced by the Goss Government, the dominant paradigm was the

preferences given to community gaming over entrepreneurial gaming. Hence, community clubs could have up to 250 gaming machines, compared to a token 10 gaming machines for hotels. The change in the number of gaming machines has greatly deviated from the original philosophy (see paragraph 14).

26. Table 5 provides a breakdown of machines numbers in community clubs and hotels on 30 June 1992, the first financial year after the introduction of gaming machines, and as of February 2009 (current period).

Table 5 Number of Gaming Machines				
Gaming Venues	June 1992		February 2009	
	Number	Percent	Number	Percent
Community Clubs	3,730	83%	23,037	55%
Hotels	743	17%	18,776	45%
Total	4,473	100%	41,813	100%
Difference (in favour of community clubs)	2,987	67%	4,261	10%
Source: OLGR				

On the face value, it appears that community clubs still operate significantly more gaming machines than private sector hotel operators. However, the substantial growth in the number of gaming machines in hotels means that the difference in percentage terms since 1992 has been reduced from clubs operating 83% of machines (hotels 17%) to in 2009 clubs having a operational market share of 55% to the private sector Hotel industry's 45% operational market share.

27. The Beattie Government recognized the impact of these changes and imposed a **State-wide cap on the number of gaming machines in hotels** on 8 May 2001. When announcing the cap, Premier Beattie justified it as follows:

The most significant recent growth in gaming machines has occurred in hotels. Unlike clubs, the profit from gaming machines in hotels goes to the publicans, not the community. What is more, clubs with gaming machines have found it difficult to compete with hotels which can use their profits to entice more patrons to their premises.⁶

The cap is currently fixed at 19,310 gaming machines⁷ and a reallocation scheme has been established to facilitate future distribution of gaming machines within the cap.

28. On 16 November 2008, the **Bligh Government extended the gaming machine cap to community clubs**. The extension of the cap was justified on public interest. The cap for community clubs has been set at 24,705 machines⁸ and a reallocation scheme is in the process of being implemented for community clubs. The reallocation scheme for community clubs will operate differently from that in hotels, based on community-owned gaming principles (see paragraph 16).
29. The introduction of gaming machine numbers caps in Queensland has seen a **per capita decrease** in the number of gaming machines due to natural population increases. This per

⁶ Media Statement: 8 May 2001.

⁷ Media Statement: 16 November 2008

⁸ Media Statement: 16 November 2008

capita ratio is further accelerated by the influx of at least 1,500 people who take up residence in Queensland every week.⁹

30. In the absence of the introduced caps, historical growth data would suggest that if the caps were not introduced, gaming machine ownership, numbers and metered win ratios growth would have continued to be concentrated within the hotel industry.
31. The future trends in the characteristics of gaming machines are largely technological innovations. Changes in technology will no doubt make it much easier (if it has not already done so) for people, especially young people, to access gambling products 24 hours and seven days a week such as through online casinos or mobile phone contents.
32. In **summary**, changes in gaming machine numbers has witnessed **a significant erosion of the advantages community clubs held over hotels**, which has greatly undermined the reasons why gaming machines were introduced in Queensland in 1992. Notwithstanding the reduction in the incidence of problem gambling, there appears to be a heightened awareness in the community of problem gambling, which can be attributed to sensational and often inaccurate reporting by the media. As a result, there has undoubtedly been increased attention, both by regulators and the industry, on the implementation of harm minimization measures.

Gambling Expenditure

PAGE 14:

What factors explain trends in gambling expenditure, particularly in gaming machine expenditure, since 1999? Has the gaming machine market 'matured'? What roles have harm minimisation measures played?

33. Table 6 shows the per capita (18+) gaming expenditure in Queensland against the national figure for other forms of gaming.

Table 6 Per Capita (18+) Gaming Expenditure		
	Queensland	Australia
Gaming Machines	\$585.45	\$663.16
Lotteries	\$119.58	\$107.50
Keno	\$28.36	\$13.47
Source: OLGR		

Although the per capita expenditure for gaming machines was much higher than that of keno and lotteries, it was lower than the national figure (see paragraph 36 and 37).

34. It is reasonable to assume that as a **result of comprehensive harm minimization measures (see paragraph 99), players are now more informed than ever before about the gambling environment**, which has certainly influenced their expenditure on gaming. Under the Queensland Responsible Gambling Code of Practice, for example, gaming venues must provide a player information guide that includes odds of winnings. In addition, winning is usually paid to a maximum of \$250 in cash and the balance is by cheque by most community clubs. The winning cheque cannot be cashed within 24 hours or

⁹ www.oesr.qld.gov.au

until the next trading day. Such measures certainly influence how a person participates in machine play and has a direct bearing on money spent.

35. In **summary**, per capita gaming expenditure in Queensland is lower than the national figure and influenced by responsible gambling strategies.

PAGE 14:

What factors explain the increased share of gaming machine expenditure in total gambling expenditure since 1999?

36. In Queensland, a **number of factors can explain the increased share of gaming machine expenditure**. The principal factors are increase in the number of gaming machines, rapid population growth and improvements in working conditions resulting in more money being available for sport, socialization, recreation and entertainment. Gaming, after all, is a popular recreational activity, enjoyed by many without any negative effects (see paragraph 45).
37. As explained above (see paragraph 22), community clubs are more than just gaming venues but part of the hospitality sector. In this sense, community clubs provide a "one-stop" shop for sport, socialization, recreation and entertainment. Industry research¹⁰ shows that the **top five reasons for community club visitation** are:
- meals/dining
 - socialization
 - sporting
 - gaming
 - sub club activities
38. Gaming revenue has enabled community clubs to invest in sporting and social facilities and gaming is part of the experience of visiting community clubs. This stands in stark contrast to, for example, a visit to the newsagent to purchase lottery products.
39. In **summary**, gaming expenditure in community clubs must be seen in the overall framework of sport, socialization, recreation and entertainment.

PAGE 14:

What are likely to be the future changes in spending for different types of gambling, especially in relation to gaming machines and to new technologies (such as those involving the internet or mobile phones)?

40. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

Participation and Profile of Gamblers

PAGE 15:

What surveys of the participation and profile of gamblers have occurred since 1999 and what do they show? What methodology was applied in these surveys? How robust are the results?

¹⁰ CMP Marketing Research Report 1998

41. Clubs Queensland understands that the Queensland Government, through the Office of Liquor, Gaming and Racing (OLGR), will provide a comprehensive response to this question.
42. Briefly, the surveys conducted by OLGR provide benchmark findings, unlike the largely fragmented information collected by community clubs which are specific to each gaming venue. OLGR works closely with the gaming industry which provides necessary support, particularly in encouraging gaming machine venues to participate in various surveys.
43. OLGR has conducted three population surveys on problem gambling to date. They are:
- Queensland Household Survey 2001
 - Queensland Household Survey 2003-04
 - Queensland Household Survey 2006-07
- They represent the most **authoritative sources of information on problem gambling in Queensland** and they are readily acknowledged as such by most stakeholders.
44. The 2006-07 Survey is the largest of its kind undertaken in Australia and one of the largest in the world because it involved a sample size of 30,000 adults.¹¹
45. Table 7 summarizes the problem gambling prevalence rates and the screening instrument across the three surveys.

Table 7 Problem Gambling Prevalence Rate		
Survey	Rate	Screening Instrument
2001	0.83%	Canadian Problem Gambling index (CPGI)
2003-04	0.55%	CPGI
2006-07	0.47%	CPGI
Source: OLGR website (www.olgr.qld.gov.au)		

There is a clear downwards trend in the problem gambling prevalence rates across the three surveys.

46. In summary, Queensland has a **robust problem gambling profiling program**, which is supported by the gambling industry.

Problem Gamblers

PAGE 18:

What new problem gambling instruments have been developed since 1999, either in Australia or overseas? How adequate are the instruments, particularly the Canadian Problem Gambling Index and the Victorian Gambling Screen, in measuring problem gambling prevalence in Australia? How do these new instruments compare with the South Oaks Gambling Screen? Is it possible to refine these instruments further, or to change the survey methodology that applies to them, to make them more accurate or counter the inherent bias in responses?

47. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 19:

¹¹ Hansard: 9 March 2006, page 755.

What changes have occurred to the incidence, prevalence and profile of problem gamblers once account is taken of the potentially different thresholds used to define problem gambling? What has happened to 'at risk' groups'? Have new groups of problem gamblers emerged? Have problem gambler spending patterns changed? What factors are likely to have affected problem gambling prevalence?

48. The Queensland Household Surveys (see paragraph 43) provide comprehensive profiling of various gambling groups. Clubs Queensland understands that OLGR will make a detailed response to this question. Suffice to say that the problem gambling prevalence rates have shown a significant and consistent downward trend over the three surveys.

PAGE 19:

What other Australian or overseas surveys of problem gambling prevalence and profiles have occurred since 1999? How robust are the results?

49. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

Impacts of Gambling (Page 20)

PAGE 20:

Have the nature and extent of impacts from gambling on the gambling industries, other industries, gamblers and the wider community changed since 1999? In what way? What factors have contributed to any changes? For example, have measures introduced by governments to address problem gambling and those at risk of problem gambling reduced the extent of social costs of gambling?

50. As explained above (paragraph 22), the **introduction of gaming machines has positively impacted on community club operations**, with a number of key benefits accruing to members and the wider community. A vast majority of community clubs would not simply exist today if their revenue was not boosted by gaming machine operation. This fact will always remain because membership subscription income is simply not enough to fund the diverse nature of club operation, which includes services such as provision of sporting facilities (including junior coaching) function rooms and courtesy transport. All these services are either heavily discounted or offered free to patrons, in line with the club ethos.

51. The latest socio-economic impact study of the Community Clubs Industry in Queensland provides a unique insight into the effects of gaming machines on community club operation. Table 8 provides the vital data on club operation and community contributions.

Table 8 Key Findings of the 2009 Socio-Economic Impact Studies	
Membership	3.48 million
Employees	26,900
Revenue	\$1.895 billion
Community Assets	\$1.777 billion
Community Contributions	\$245 million (against estimated EBITDA for all

	community clubs of \$312.6 million)
Source: Social and Economic Profile of Community Clubs in Queensland (March 2009)	

52. **The growth and maturity of the Queensland Community Clubs Industry, coupled with heightened awareness on problem gambling through Government policy directions (see paragraph 82), has led to greater recognition and acceptance of responsible gambling measures by community clubs.** This is clearly demonstrated by the high level of commitment to the Queensland Responsible Gambling Code of Practice. All community clubs now readily acknowledge the business risks associated with problem gambling and designate a person as the Customer Liaison Officer to assist problem gamblers as part of the harm minimisation regime under the Code of Practice.
53. At the industry level, Clubs Queensland has created the role of the **Responsible Gambling Consultant** and has engaged the services of a trained psychologist (Amanda Hefez)¹². The primary purpose of this role is to assist community clubs proactively comply with the Code of Practice, particularly in exclusion training and establishing links with the Gambling Help Services. The Responsible Gambling Consultant has developed an industry-based Customer Liaison training program (DVD and Guide) to complement existing training, which gives general currency for gaming staff and gambling help providers (see paragraph 61 and Appendix 3). She has also been instrumental in developing the "Set the Standard" DVD (copy attached) that highlights the importance of employees committing to a high standard of delivery of responsible gambling practices. Overall, this role effectively addresses the decentralized nature of the Community Clubs Industry and the difficulty this poses to proactive compliance with the Code of Practice.
54. In summary, gaming has positively impacted on growth and development of community clubs, with a parallel recognition and management of business risks associated with problem gambling.

PAGE 20:

What are the regional impacts (for example, in low income areas, outside major metropolitan areas, or in remote or Indigenous communities)?

55. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 20:

What Australian or overseas studies have been undertaken since 1999 on the impacts of gambling? What do they show? What methodologies and assumptions were applied in these studies? How robust are the studies' estimates of impacts? To what extent has the resolution of problems faced by former problem gamblers mitigated the social impacts?

56. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 20:

¹² Amanda Hefez holds a honours degree in Applied Psychology and a Bachelor of Psychology. She is an Accredited Supervisor with the Psychologists Board of Queensland and also an Associate member of the Australian Psychological Society.

Have the nature and extent of the costs of problem gambling on individuals, their families and the wider community changed since 1999? If so, in what way? What factors have contributed to any changes?

57. Community clubs are acutely aware of the negative consequences of problem gambling on some players and their family members, relatives, friends and the wider community. They recognize these social costs and strive to address them through responsible gambling (see paragraph 61).
58. There is now a greater awareness that the debate on the cost of problem gambling must take into account two fundamental aspects. Firstly, gaming is a form of entertainment and enjoyed by a majority of people without any harm. By deduction, and using the Queensland Gambling Household Survey findings, the vast majority of Queensland adults gamble in various ways without any problem. Secondly, players also have some personal responsibilities and irresponsible consumption of anything is unhealthy.
59. Notwithstanding the above, **the fundamental position of the Queensland Community Clubs Industry is that one problem gambler is one too many**. Hence, community clubs do not hesitate to provide necessary attention and assistance to people who may have a gambling problem. In doing so, community clubs strive for the balance between the recreational and negative aspects of gaming as advocated by the Queensland Responsible Gambling Code of Practice.
60. The Queensland Responsible Gambling Code of Practice explains the balance between the pleasure and harm of gaming as follows:
- For many people, gambling is an enjoyable leisure and entertainment activity. For some, however, gambling can have negative impacts. In the long term, benefits to the gambling industry can be enhanced and safeguarded only by minimising harm to consumers and the broader community.¹³
61. Community clubs are at the forefront of responsible gambling initiatives and the following are just three examples:
- Appendix 2 provides an example of responsible gambling initiative at the venue level (Hervey Bay RSL Club).
 - Appendix 3 provides an example of a responsible gambling training resource developed at the industry level (i.e. can be readily used by all community clubs).
 - Appendix 4 provides an example of cross-industry collaboration, called RNet, on responsible gambling.
62. In **summary**, it is recognized that a small number of people have a problem with their gambling but this must be looked at in the wider context of recreational gambling, personal responsibility, and the measures in place.

PAGE 20:

What kinds of consumer issues may arise from gambling and how best should policy deal with them?

¹³ Queensland Responsible Gambling Code of Practice, 2004, page 1.

63. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 21:

What are the impacts of gambling on social capital, and what might this imply for the regulation and taxation of the gambling industries?

64. **Social capital is a multi-dimensional concept** because it refers to attributes that are inherent in social interactions such as networks, trust, reciprocity and social norms. These attributes cannot be taken on the face value (as positive or negative) because they are subjective, so must be precisely defined, and also they can be either the cause or the effect, depending on how the social experiment is set up. Given these and other concerns, the value of the concept is primarily in its non-market explanatory power of social connections.
65. Certainly, the **non-market experience of community clubs is the very foundation of the community club movement or ethos**. Community clubs are, after all, associations of people who come together to pursue and promote their common community interests. Thus, the primary reason for community clubs is the provision of vital sport, social and recreational, entertainment and socialisation opportunities to their members. In fact, a majority of community clubs in Queensland were formed after the Second World War, largely in response to shortage of community recreational facilities. These opportunities would not be otherwise available if there are no community clubs.
66. One of the most illustrative explanations of the ability of community clubs to invest in the social capital of their members is the following insight:

A moment's reflection suggests that, at their beginning, all non-profit organisations are products of social capital. The people who get together and form an association, whether to provide a service or advance a cause, draw on social capital to do so. Their behaviour is shaped, and perhaps motivated, by norms; they presume the trustworthiness of those they invite to join; they utilise networks of which each are already a part. They continue to draw on social capital to sustain or build the organisation.¹⁴

In other words, **community clubs are synonymous with social capital**.

67. By making community clubs strategically viable (see paragraph 14), gaming machines have enabled them to readily invest in social capital activities. The prime examples of these activities are:
- sporting for all ages (all codes)
 - doing greater good (e.g. surf life saving and administrative support of legacy)
 - providing a safe place for socialisation (particularly for senior citizens who would otherwise be isolated in their homes)
 - provision of courtesy buses
 - family-friendly environment
 - safe place for socialisation
 - volunteering and fundraising opportunities
 - promotion of special interests such as darts, bridge and other games
- All these activities bring people from diverse background together, thus encouraging friendship, understanding and better citizenship.

¹⁴ Lyons, 2001, *Third Sector: The Contribution of Nonprofit and Cooperative Enterprises in Australia*, Allen and Unwin, Crows Nest, NSW.

68. In **summary**, gaming machines play an important role, not least of which is giving community clubs the ability to invest in social capital.

Taxation and Regulatory Arrangements

PAGE 21:

What have been the main changes to state and territory taxation arrangements applying to gambling since 1999? Have there been changes to the application of the mutuality principle?

69. In Queensland, community clubs and hotels pay gaming taxes at different rates. As Table 9 shows, the tax rates for community clubs are on a sliding scale, while for hotels, it is set at a fixed rate. The maximum rate was dropped from 45.91% to the current level in 2000 to take account of GST. **This taxation differential is in recognition of the different forms of gaming: community-owned gaming in community clubs and entrepreneurial gaming in hotels.**

Table 9 Tax Rates on Gaming Machines in Queensland

Premises Type	Monthly Taxable Metered Win (\$)	Gaming Machine Tax (% of Monthly Taxable Metered Win)
Licensed Clubs (Category 2 licensed premises)	\$0 – 9,500	Nil
	\$9,501 – 75,000	17.91%
	\$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

Source: OLGR website (www.olgr.qld.gov.au)

70. In 2001, an additional layer of taxation, a levy, was introduced for hotels on metered win of over \$100,000,

described as the “most profitable hotel gaming machine venues”.¹⁵

71. Community clubs in Queensland have benefitted from the exclusion of profits derived from mutual sources being assessable for the purposes of company tax and tax exemptions provided to sporting clubs. It should be noted that these tax exemptions provide a net benefit to all Australians via the consideration that many community facilities and services, especially relating to sporting facilities and maintenance, provided by community clubs would be significantly reduced if community club operating profits were reduced by the application of the 30% company tax rate. If Queensland community clubs did not receive preferential tax concessions it is doubtful that they could continue to provide \$245 million (against estimated EBITDA for all community clubs of \$312.6 million) in annual community contributions or provide and maintain sporting and other community facilities valued at \$1.777 billion. In addition, as shown in Table 2, 75% of community clubs are small (40 or less gaming machines) and will be unable to bear the burden of increased costs.

72. Clubs Queensland refers the Commission to Clubs Australia’s submission which comprehensively discusses these tax regimes.

¹⁵ Media Statement, 8 May 2001

73. In **summary**, members and the wider community make a net gain from club operation through taxation.

PAGE 21:

What factors have influenced trends in state and territory gambling tax revenues, following the introduction of the GST? Have declining shares of tax revenues from gambling and gaming machines resulted from increases in other state and territory taxes, such as payroll tax and stamp duty? How has the determination of gambling tax rates changed?

74. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 21:

To what extent are different forms of gambling taxed differently? What impacts have any differences in taxation had? Have they led to problems or distortions in gambling activity? How have any differences in taxation, and consequent impacts, changed since 1999?

75. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters but would like to point out State taxes in Queensland were adjusted to take account of the impact of GST.

PAGE 21:

What challenges to state and territory tax arrangements are posed by technological changes to gambling (for example, the emergence of certain forms of internet gambling)?

76. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters but would like to point out that States/Territories have no ability to levy taxes on internet gaming because of federal restrictions.

PAGE 22:

Has there been greater harmonisation of taxation arrangements across the states and territories or across different gambling forms? What role should the Australian Government take in this area?

77. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 22:

Are the current levels of gambling taxes, particularly in respect of gaming machines, appropriate? How do gambling taxes affect the 'odds' of gambling for consumers, and with what distributional outcomes for consumers and effects on problem gamblers?

78. Clubs Queensland believes that the current sliding scale for gaming machine tax in community clubs represents a delicate balance between the relief required by community clubs and the revenue collected by the Government.

79. The sliding scale used to calculate gaming machine taxes paid by community clubs is an appropriate mechanism. The methodology used within the sliding scale recognises the capacity of clubs, based on monthly metered win, to pay a rate of between 0% and 35.91%. This sliding scale reflects the nature of community gaming facilities where profits are ploughed back into community club facilities and services and do not underwrite private individuals income or the balance sheet of large corporations. This tax regime also helps underpin the long term strategic viability of the Queensland Community Club Industry - a large community focused industry with annual revenues of \$1.895 billion and employment for 30,300 individuals (employees and contractors).
80. It is logical to assume that the current tax regime has allowed a very high rate of return to players over time. Gaming machines are programmed to return between 85% to 92% of their takings to players. When compared to other forms of gaming, the rate of return is significantly in favour of players.
81. In **summary**, gaming taxes for community clubs represent a good balance for all parties.

Government Regulation

PAGE 23:

What have been the main developments in state and territory regulations applying to gambling since 1999? What are the rationales, benefits and costs of any new regulatory measures?

82. In Queensland, **harm minimisation is the driving force for regulatory changes**. In response to public concerns, the Government released the *Policy Direction for Gambling in Queensland (Policy Direction)* in April 2000. The Policy Direction acknowledged both the recreational as well as the social costs of gambling. To balance these two competing interests, the Government developed the Queensland Responsible Gambling Strategy which was released in February 2002.
83. Based on a **public health framework**, the Queensland Responsible Gambling Strategy provides the platform for the delivery and development of responsible gambling initiatives in a planned and coordinated manner. There are six priority action areas:
- Enhance Responsible gambling policies and programs through research
 - Increase community knowledge and awareness of the impacts of gambling
 - Reduce the risk factors for problem gambling through early intervention
 - Develop a statewide system of problem gambling treatment and support services
 - Ensure gambling environments are safer and more supportive for consumers
 - Promote partnerships to address statewide gambling issues and concerns
- These action areas recognise that problem gaming is a complex issue that requires multiple solutions. Clubs Queensland understands that OLGR will discuss them comprehensively in their submission.
84. The Responsible **Gambling Advisory Committee (RGAC)**, **formed under the last priority action area, is the foundation of Queensland's responsible gambling**. It has developed Australia's first industry wide, voluntary approach to harm minimisation through the Queensland Responsible Gambling Code of Practice. The RGAC reports directly to the Queensland Treasurer and membership includes representatives from the industry, the community sector and Government (see paragraph 92).

85. Other measures that have been implemented by the Government include:
- Cap in the number of gaming machines in community clubs and hotels
 - No machine gaming prior to 10 am
 - Restriction on note acceptors (\$100 and \$50) - the maximum denomination accepted is \$20
 - Maximum credit limit of \$100
 - Maximum bet of \$5
- These measures have a strong social imperative to protect consumers using the harm minimisation framework.

86. In **summary**, regulatory changes are strongly tailored for harm minimisation measures.

PAGE 23:

To what extent has technological change affected the ability of state and territory governments to regulate gambling? Has regulation impeded technological innovation within Australia's gambling industries?

87. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 23:

To what extent are different forms of gambling regulated differently? What impacts have any differences in regulations had? Have they led to problems or distortions in gambling activity? How have any differences in regulation, and consequent impacts, changed since 1999?

88. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 23:

To what extent has there been greater harmonisation of regulations across the states and territories or across different gambling forms?

89. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 23:

Are there any inconsistencies across jurisdictions in the application of the Gaming Machine National Standard? Are these justified? What impact do they have on the gambling industries? Are the individual gambling policy objectives of jurisdictions unduly affecting the technical orientation of the National Standard?

90. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

Regulatory and Policy-Making Processes and Institutions

PAGE 24:

What have been the main changes to state and territory regulatory frameworks for gambling since 1999? How have the governance and administration of regulatory frameworks changed? What impacts have any changes had on the quality of policy and regulation-making in the jurisdictions?

91. In Queensland, the Government established the Responsible Gambling Advisory Committee (RGAC). The RGAC is a consultative forum between the Government, Industry and Community to discuss responsible gambling. This forum advises the Queensland Treasurer and hence policy outcomes have the support of all stakeholders (see paragraph 97).
92. **The structure of the RGAC underpins the notion that responsible gambling is a shared responsibility to be collectively overseen by all stakeholders and not just the Government or the Industry or the Community.**
93. Notwithstanding the above, the Government has retained its ability to **regulate** unilaterally through the Office of Gaming Liquor and Gaming (OLGR).
94. In **summary**, the regulatory framework for gaming in Queensland has moved towards a shared responsibility model between the Government, Industry and the Community, resulting in policy outcomes that are well supported by all stakeholders.

PAGE 24:

To what extent have these measures been supported by research, especially field trials and evaluations? What has been the quality of this research against such criteria as validity, reliability, independence, and transparency?

95. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters but would like to bring to the attention of the Commission the trials being conducted at Sandgate RSL Club and Redcliffe RSL Club.

PAGE 24:

How effective has the Ministerial Council on Gambling been in addressing its objectives? To what extent has the National Framework on Problem Gambling been applied by state and territory governments? How effective has Gambling Research Australia been in addressing its objectives? Are its priority areas of research appropriate? What changes, if any, should be made to the various national initiatives?

96. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

Harm Minimisation Measures

PAGE 26:

What industry codes of practice have been introduced since 1999, or are in prospect, to address problem gambling and other consumer protection concerns? What measures do they contain?

97. Queensland is unique because the Government has established the **Responsible Gambling Advisory Committee (RGAC)** to discuss gambling issues and to provide policy input. The RGAC is a tripartite forum of Government, Industry and Community

representatives. The Government, through OLGR, provides administrative support to the RGAC.

98. Of the many achievements of the RGAC, perhaps the one that most stands out is the **Queensland Responsible Gambling Code of Practice**. The Code of Practice contains both legislative requirements and best practice. Overall, the Code of Practice is a voluntary instrument but is considered almost binding on all gaming provides, subject to certain exemptions from the provisions of the Code of Practice, because of its centrality to the gambling framework. The Code of Practice was launched by the then Treasurer Terry Mackenroth on 29 May 2002.

99. The **Code of Practice** contains six practices as follows:

1. Provision of information
2. Interaction with customers and community
3. Exclusion provisions
4. Physical environment
5. Financial transactions
6. Advertising and promotions

Each industry group has developed a Resource Manual to assist their venues proactively implement these practices. There are also extensive guidelines to explain the application of some practices such as the exclusion provisions and advertising and promotions.

100. The government has measured the effectiveness of the Code of Practice in addressing problem gambling issues in three phases. Table 10 explains the three phases.

Table 10 Code of Practice Review Phases

Phase	Date	Purpose of the Review
Implementation Review Phase 1	October 2002 – October 2003	Effectiveness of the implementation of the Code of Practice
Cultural Shift Review Phase 2	November 2003 – December 2005	Level of cultural shift towards establishing responsible gambling environments as a basic feature of running a gambling business
Sustainability Review Phase 3	January 2006 – December 2007	Sustainability refers to industry led promotion and maintenance of long-term, resource effective and efficient responsible gambling practices

Source: OLGR website
(www.olgr.qld.gov.au)

The three phases are based on the premise that ongoing compliance is a long-term process.

101. In **summary**, the Code of Practice is the cornerstone of responsible gaming in Queensland.

PAGE 26:

What measures have gambling venues introduced to address problem gambling and other consumer protection concerns?

102. In Queensland, the measures implemented by community clubs to address problem gambling are guided by the Code of Practice (see paragraph 99). These measures include:

- providing players with a range of information, including the Club's Responsible Gambling Mission Statement, Player Information Guide, information on potential harm associated with gambling and where to get help for problem gambling
- appointing a customer liaison officer to facilitate communication between members and patrons and the club on responsible gambling issues, including complaint resolution mechanisms and self-exclusion provisions

- establishing customer complaint resolution procedures to deal with gambling complaints in a timely manner.
- implementing a training and professional development program for gaming employees so that they are well informed and better positioned to provide assistance to members and patrons regarding the Responsible Gambling Policy and its goals and referral to the Customer Liaison Officer. The Government has announced that responsible service of gaming (RSG) training will become mandatory for all venue employees with direct responsibility for gaming.
- putting in place self-exclusion and venue exclusion procedures and establishing networks with Gambling Help Services
- addressing various aspects of the gaming environment such as prohibiting minors from entering the gaming area, not serving alcohol at gaming machines, encouraging breaks in play through self-service tea and coffee facilities and other means, and making players aware of the passage of time by placing a clock in the gaming area,
- implementing a financial transaction policy that prohibits credit betting, sets limits on cash payment of prizes and conditions for cashing out of gaming cheques
- promoting responsible advertising and promotion of gaming so that they are not false, misleading or deceptive, not implicitly or explicitly misrepresent the probability of winning a prize, do not give the impression that gambling is a reasonable strategy for financial betterment, are not implicitly or explicitly directed at minors or vulnerable or disadvantaged groups and do not offend prevailing community standards

103. **Many community clubs have gone beyond the requirements of the Code of Practice to implement best practice measures.** The case of Hervey Bay RSL Club (Appendix 2) is a good example.

104. In **summary**, the measures put in place by community clubs to address problem gambling are guided by the Code of Practice and best practice.

PAGE 26:

Are there sufficient incentives, such as the threat of litigation by gamblers, for gambling venues to introduce consumer protection measures? What does the case law in this area reveal?

105. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 26:

Should governments make industry codes of practice mandatory?

106. **Clubs Queensland believes industry codes should remain largely voluntary to encourage flexibility and ownership through self-regulation.**

107. A voluntary code is also much easier to amend in view of changing best practices. In other words, a voluntary code provides the best approach for responsible gambling measures to remain relevant and effective.

108. The Code of Practice in Queensland provides a good example of the balance between a mandatory and voluntary code, as some aspects of the Code such as the exclusion procedures have been incorporated into the Gaming Machine Act. There is no 'tick the box' approach and each venue must make a concerted effort to know their obligations and to work hard to ensure proactive compliance with the Code of Practice. OLGR manages the level of compliance through a range of strategies, including guidelines and liaison with peak industry associations.

109. In summary, given the multi-dimensional approach to addressing problem gambling, it is important that industry codes remain largely voluntary because venues are best placed to address problem gambling issues at the local level (within the broad framework provided)

PAGE 27:

Does the National Snapshot of Harm Minimisation Strategies provide a complete representation of government actions? What other government actions have taken place since 1999 to introduce harm minimisation measures? What harm minimisation measures are in prospect?

110. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 27:

To what extent have the development of harm minimisation measures reflected regulatory best practice (such as clear objectives, evidence of likely efficacy, consultation with stakeholders, coordination with other measures, and cost-effectiveness)? What changes, if any, in regulatory processes in this area are warranted?

111. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 27:

Are there inconsistencies in harm minimisation measures across jurisdictions, as well as across the different forms of gambling? What problems or distortions do any inconsistencies cause?

112. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 27:

What impact has smoking restrictions had on expenditure by gamblers? To what extent is the impact temporary? Are gambling venues able to legally reconfigure their premises to accommodate smokers?

113. A comprehensive review of the smoking laws in Queensland was carried out in 2004. The new laws commenced in **three phases** from 1 January 2005 and concluded on 30 June 2006. The Queensland Government claimed that the laws were the toughest in Australia.

114. From 1 July 2006, 100% of enclosed areas, including 100% of the gaming area became non smoking. A **designated outdoor smoking area (DOSA)**, where smoking and drinking can take place, was provided as an option for licensed venues. The DOSA could not be more than 50% of the total outdoor licensed area.
115. The Government set **strict rules** to govern the DOSA as follows:
- food cannot be taken or consumed in the DOSA
 - food or drinks could not be served in the DOSA
 - no entertainment can be provided in the DOSA
 - no gaming machines can be located in the DOSA
- The DOSA must be separated from other areas either by a 2 metre area or a 2.1 metre wall that is impervious to smoke. It must be under the control of a smoking management plan.
116. The initial **impact** of the smoking bans ranged from none to over 90% loss in gaming revenue for individual venues. The community clubs industry average was about 5.6%. If the natural growth trends in gaming revenue were considered, the real downturn was at 11% of the gaming revenue. In monetary terms, this amounted to a loss of approximately \$15 million for community clubs in the first 12 months after the complete bans.
117. It is reasonable to assume that most community clubs have recovered from the downturn caused by the smoking bans for two reasons. Firstly, the DOSA provides an alternative for smokers and secondly membership in some community clubs increased as a result of the non-smoking indoor environment. However, members and the local communities have not been able to recover the loss of community contributions for this period.

PAGE 28:

Is the Commission's approach to evaluating consumer protection or harm minimisation measures still appropriate?

118. Community clubs derive significant revenue from gaming which enables them to provide a myriad of facilities to their members and the broader community. It is important, therefore, that any change that may impact negatively on their revenue is backed by thorough research.
119. Clubs Queensland supports **evidence-based research**. We cannot agree more with the Productivity Commission's view on this approach as follows:
- Without evidence, policy makers must fall back on intuition, ideology, or conventional wisdom — or, at best, theory alone. And many policy decisions have indeed been made in those ways. But the resulting policies can go seriously astray, given the complexities and interdependencies in our society and economy, and the unpredictability of people's reactions to change.¹⁶
120. Given the emotions attached to the gambling pursuit, evidence-based research is critical because substantiated data is a pre-requisite for developing an informed policy platform.
121. **Any policy position that is developed must be based on a detailed cost-benefit analysis.** A cost-benefit analysis will reduce the likelihood of onerous requirements and red tape being imposed on machine gaming. In other words, it will also ensure gaming venues

¹⁶ Gary Banks, 2009, Evidence-Based Policy-Making: What is it? How do we get it?, ANZSOG/ANU Public Lecture Series, Canberra.

are not faced with measures that result in negative outcomes, whilst bringing minimal or no discernable benefits to problem gamblers.

122. In summary, consumer protection and harm minimisation measures should be formulated on evidence-based research and supported by a detailed cost-benefit analysis

PAGE 28:

To what extent have industry and government actions since 1999 dealt with the inadequacies in arrangements previously identified by the Commission?

123. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 28:

What have been the impacts of harm minimisation measures that have been introduced? What have been their impacts on problem gamblers and those at risk of problem gambling? Have the measures led to a reduction in the incidence and prevalence of problem gamblers and of those at risk of problem gambling? Have the measures enhanced consumer protection more generally? Have they provided gamblers with informed choice or greater control over their gambling? Do the measures adversely affect recreational gamblers? Have there been any unintended consequences arising from the measures? What other benefits and costs of the measures are there?

124. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters but would like to bring to the attention of the Commission the Queensland Household Gambling Surveys (paragraph 43) which discusses the impact of harm minimisation measures on gambling groups and prevalence rates.

PAGE 28:

To what extent are comorbidities (such as depression and substance abuse) in problem gamblers and those at risk of problem gambling relevant to the effectiveness of harm minimisation measures?

125. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 28:

What evaluation, research or trials relating to the effectiveness, or benefits and costs, of harm minimisation measures have been conducted and what do they show? What has been the adequacy of such evaluations against such criteria as validity, reliability, independence and transparency? How have such evaluations informed policy?

126. In Queensland, OLGR has evaluated the Queensland Gambling Strategy and the Code of Practice. Clubs Queensland understand that the OLGR will make a comprehensive response outlining the outcomes of these evaluations.

PAGE 29:

What new technologies might enhance or support harm minimisation measures? Are there examples of such technologies being used here or overseas? Are there regulatory impediments to the adoption by the gambling industries of these new technologies?

What would be the cost to the industries? What privacy issues might arise? What other impacts would these technologies have? Should the adoption of particular technologies be mandated?

127. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

Quantitative Restrictions

PAGE 29:

What key developments have there been since 1999 to regulating access to gaming machines in the states and territories? Have there been any data or studies showing what impacts regulating access to gaming machines has had on problem gambling or on the broader social impacts of gambling? Are there changes in prospect that would increase or decrease access to gaming machines (for example, increasing caps or extending the location of gaming machines)? What changes should be introduced?

128. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 31:

What trends are likely in relation to internet gambling and other platforms such as mobile phones and digital TV?

129. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 31:

Which community groups are affected most by internet gambling? How does internet gambling affect problem gamblers and those at risk of problem gambling? How might other forms of gambling, such as wagering services provided by TABs, be affected?

130. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 31:

What possible consumer and commercial benefits may be derived from new gambling platforms and what do these benefits suggest for appropriate regulatory arrangements?

131. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 31:

What have been the rationales, benefits and costs of the Interactive Gambling Act and any other regulation applying to internet gambling? Is the regulation of internet gambling justified? What evidence is there of the impact of this regulation on problem gambling and those at risk of problem gambling? What other impacts of the regulation have there been? How has the Act affected other gambling forms, particularly those not reliant on the internet to deliver services? What has been the extent of compliance with and enforcement of the Interactive Gambling Act? Is the lack of reach of the Act to offshore internet gambling a concern?

132. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 31:

What impacts have the recent High Court Betfair decision had on the capacity of state and territory governments to regulate internet gambling?

133. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 31:

What changes should be introduced to the regulation of internet gambling within Australia? What has been the experience of regulating internet gambling overseas? What does the overseas experience reveal about the consequences of stringent or lax regulatory regimes?

134. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

PAGE 31:

To what extent do the developments in new gambling platforms reflect broader global trends in e-commerce, with their parallel regulatory challenges?

135. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

Government Programs Relevant to Gambling

PAGE 32:

What key developments have occurred to government programs since 1999? What changes, if any, have taken place in respect of funding the programs? What changes should occur to government programs? Should greater attention be given to the education of young people about gambling, particularly in relation to financial literacy? How successful would such an approach be?

136. Clubs Queensland understands that the OLGR will provide a comprehensive response to Government programs relevant to gambling.

137. We understand that the following are the current status of some government programs:

- The first draft of the Queensland Young People and Gambling information paper has been completed and is currently being reviewed. The focus of the project is to review current national and international research about youth gambling.
- The second evaluation of the Teaching Resource Kit developed for schools by the Queensland Government has been completed and is being finalised.
- The redevelopment of the online responsible gambling education resources, including School Stuff I and School Stuff II, is currently being planned. The 'Get out there' website is a new interactive website targeted at year 12 students in Queensland. The website developed by the Department of Justice and Attorney-General provides good advice for those attending schoolies and information on how to go about embarking on life after school. Gambling information can be found at the Casino and Liquor section on this site. The site was launched 21 October 2008.

138. Perhaps the most visible Government program for gambling stakeholders is the establishment of the **Responsible Gambling Research Grants** in 2002-03. This grants program aims to:

- enhance the quality and quantity of gambling related research in Queensland and
- contribute to the development of gambling policy in Queensland

Applications are called annually.

139. It is important to note that the Government has made it clear that research undertaken under this grants program is not to make recommendations regarding Government policy. Rather, research should contribute to the information pool available to inform the policy analysis and development conducted by the Queensland Government.

140. The following are some research topics covered under the grants program

- Efficacy of Responsible Gambling Strategies
- Young People's Gambling Experiences
- Ethical Governance in the Gambling Industry
- Gambling Treatment Programs
- Cognitive-Behavioural Therapy
- Costs and Benefits of Gambling in Socio-economically Disadvantaged Areas
- Mental Health and Gambling: A Longitudinal Study of Youth
- Older people and responsible gambling strategies
- Access and gambling participation
- Psychological and physiological factors influence on gambling activity
- Gambling behaviour of gambling employees
- Internet-based delivery of problem gambling treatment

It is up to the Government to decide the research priorities.

141. The 2007-08 Information Pack explains the current focus of the grant program as follows:

The Responsible Gambling Research Grants Program accepts applications for research grant funding across three program areas. The research programs and their aims are:

- **Early intervention and prevention program:** targets people who may be experiencing the early signs and symptoms of a gambling related problem to minimise the chances of that problem exacerbating. The early intervention and prevention program expects to protect Queenslanders and particularly potentially vulnerable sub-groups from gambling related harm.
- **Consumer protection program:** aims to protect individuals and the community from the potential negative consequences of gambling, while simultaneously protecting the right of people to gamble. One critical component of this program is ensuring that gambling products and environments are conducive to responsible gambling.
- **Problem gambling management program:** aims to ensure people have access to appropriate help for gambling-related problems. This program includes, for example, identification of individuals experiencing gambling problems, treatment and assistance for those people and continuing care for those experiencing ongoing problems and relapse. Services need to be appropriate, suitably accessible and wide-ranging to encompass the diversity of individuals, groups and potential problems across the Queensland population.

While these programs focus on the wider Queensland population, there is also a need to identify, tailor and target programs for specific sub-populations whether socio-economic, demographic, regional or cultural.

142. Generally, research reports from the grant program are shared with the Industry and Community in the Responsible Gambling Advisory Committee.

143. In summary, Queensland Government has invested heavily in gambling research which benefits the community and gaming industry through the sharing of findings in the RGAC.

What developments have there been in relation to providing counselling and support services? Has there been increased monitoring and evaluation of treatment options for problem gamblers? Have new treatment options emerged? Has the proportion of funding for counselling and support services changed? How relevant are comorbidities to the provision of counselling and support services to problem gamblers?

144. The following are some key developments in relation to providing counselling and support services in Queensland:

- Increasing community knowledge and awareness of the impacts of gambling and support services available through Responsible Gambling Community Awareness Campaign, Problem Gambling Campaign, Player Information Project and the Self Help Manual.
- Counselling services that provide support and assistance to individuals, family and friends.
- Venue support for staff providing assistance to customers and for staff experiencing gambling related problems.
- Ensuring appropriate and ongoing responsible gambling training is provided to staff providing gambling services to customers.
- A strong focus on reducing the risk factors for gambling through early intervention and education. Gambling Help Community Educators work with schools and other community services to educate about the risk factors associated with gambling.
- Developing a state wide system of problem gambling treatment and support services.
- Promotion of partnerships to address state wide and local gambling issues and concerns. For example the local RG network meetings with the community sector, industry sector and the government attending.

145. Perhaps the most visible and equally effective counselling and support service that has been established is the Gambling Helpline Service (GHS). It provides telephone counselling, information and referral through a 1800 number which is a 24 hour service. GHS is offered by a network of community organisations operating out of approximately 30 sites across Queensland.

146. We understand that Queensland Treasury has signed a Memorandum of Understanding to jointly fund a national online gambling counselling service. The national online gambling counselling service will be operated by Turning Point out of Victoria. The number is designed to replace the individual State numbers to provide the same 1800 number for all problem gambling telephone services across Australia. The National 1800 number was fully operational as of 23 July 08 (1800 858 858). Until the State number is phased out, clients calling their current 1800 number will still be directed to that telephone service, while the same time clients calling the new national 1800 number will also be automatically directed to the service provided within their region.

147. GHS is delivered face-to-face and via the telephone. The typical services include:

- Individual counselling for gamblers and their partners
- Relationship counselling for couples and families
- Financial counselling
- Self Exclusion support
- Support groups

- Referral to a range of other support services

These services are provided on a confidential/anonymous basis.

148. The ongoing success of the counselling and support services is due to two critical factors.

- The programs are fully funded by the Queensland State Government and there is ongoing consultation between the Treasury and the Department of Communities to enable the latter to negotiate new service level agreements with providers as part of implementing the enhancements to the Gambling Help Service System.
- The programs are supported by the gambling industry. Community clubs, for instance, appoint a Customer Liaison Officer (CLO) and one of the roles of the CLO is to establish links with local GHS.

149. Clubs Queensland understands that the OLGR is working closely with GHS to finalise a new performance management system, which would include a performance management framework, data collection tools and a data dictionary.

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Have government programs relevant to gambling been evaluated? What do these evaluations show?

150. Clubs Queensland refers the Commission to Clubs Australia's submission on these matters.

SUMMARY AND RECOMMENDATIONS

151. The Queensland Community Clubs Industry is **significant, complex, diverse but mature**:

- The industry is **significant** in its own right because community clubs are the principal sources of sporting and other recreational opportunities in the State and often form the socio-economic 'hubs' of their local communities. The sporting and recreational services would otherwise be unavailable without clubs. Specific economic benefits of clubs include local employment and community contributions that would be lost if there were no clubs.
- The industry is **complex** because community clubs have a unique operating model that requires them to be non-proprietary associations. This model does not prevent them from making a revenue surplus but any surplus must be 'reinvested' for the collective benefit of their members (and by extension, of their local communities). Community clubs are therefore mutual organisations, formed by people to pursue and promote their common interests, but distinct from a traditional service-orientated, not-for-profit organisation.
- The industry is **diverse** because community clubs vary in size, from a one-room facility and less than 100 members to multilevel facilities and tens of thousands of members, and are located across the State. This presents a number of challenges to their operation such as issues surrounding effective corporate governance (with volunteer board or management committee), involvement of private interests in club management and reporting and disclosure requirements.

- The industry is **mature**, however, because community clubs are subject to a raft of laws. These include gaming, liquor, food and smoking laws. The laws encourage operational efficiencies, including accountability and transparency. A significant breach of these laws can result in the suspension or cancellation of the club registration or licences. Community clubs demonstrate strong compliance with the laws, as well as a strong commitment to voluntary codes and best practice measures.

152. Based on the above facts, Clubs Queensland makes the following recommendations:

Recommendation 1 - Harm Minimisation

Harm minimisation should be a shared responsibility and informed thorough research resulting in best practice measures.

Recommendation 2 - Community Gaming

Community gaming in community clubs should continue to receive concessional tax and other treatment because it directly and indirectly benefits the wider community.

Recommendation 3 - Problem Gambling

Problem gambling represents a significant business risk and all stakeholders need to work together to address it.

Recommendation 4 - Research Program

Research on problem gambling must be coordinated and subscribe to an evidence-based model, with a detailed cost-benefit analysis, so that policy outcomes are practical and not just an exercise in academia.

Recommendation 5 - Technological Innovation

Technological innovations should not constrain gaming venues to offer gaming for recreation to be enjoyed by a vast majority of people.

Recommendation 6 - Undue Restrictions

There should be no undue legislative and other restrictions on gaming machine operation to ensure gaming machines remain a service to be enjoyed by a vast majority of people who are not problem gamblers.

Recommendation 7 - Partnerships

There should be ongoing partnerships developed with relevant parties to encourage awareness on responsible gambling.

These recommendations, if implemented will ensure the long-term sustainability of the gaming industry and the associated benefits accrued by the wider community.

153. For any questions or clarification on this submission, please contact Clubs Queensland CEO Doug Flockhart on t: 3252 0770 or e: doug@clubsqld.com.au.

APPENDIX 1 - CARD BASED GAMING TRIALS

Disclaimer: *The following information is provided for general reference of the Commission. Clubs Queensland has not had the opportunity to evaluate either of the trials to date and is therefore not in a position to endorse any card based system.*

Card Based Gaming trials have taken place at Sandgate RSL Club and Redcliffe RSL Club. This is a system that allows a patron to set a pre-determined limit on their gaming play before commencing play on a machine. On the one hand, it offers harm minimisation and the required self-control features, but on the other hand, it also provides venues and patrons the convenience and security of cashless gaming. In other words, the benefits to the players do not come at the expense of the venue and vice versa.

The Card Based System has many distinctive features in regard to SIMPLAY (being trialled at Redcliff RSL Club). It gives players the security of being able to administer their own accounts from a Player Kiosk and set their own betting limits. It also provides players with a pre-commitment facility without the need to provide all of their personal details. It is not mandatory to enrol in these programs.

To be effective, enrolling in Card Based Gaming must be free and there should be some ancillary reward or convenience, other than just the pre-commitment features, for players to readily embrace this facility. For the venue, the cost of implementing a centrally controlled Card Based Gaming system must not be onerous and can be handled through the Licensed Monitoring Operators.

The trail at Redcliffe RSL Club has yielded the following information:

- Card Types: The system utilises the same card for all facilities in the venue, for example the card is used for membership identification, for gaining loyalty rewards points from both gaming and retail sales and for Card Based Gaming activities. A 'mag-stripe' card is the card of choice as the replacement cost is significantly cheaper than Smartcard.
- Pre-Commitment: The card is a representation of a centrally based account that is available to the patron in an on-line, real time wide area network. This means that a patron setting a spend limit on themselves would be able to move between multiple venues and the host system would track their play between all venues to ensure any pre-determined spend limits are not exceeded.
- Account Types: The account has been designed to allow flexibility in the amount of detail patrons are willing to divulge and walking a fine line between funds protection and the ability for those who wish to obtain an anonymous account. Table 1 shows a matrix of Maxgaming's SIMPLAY Card Based Gaming Account Types, the information required to open an account and the limits then imposed by default on the account. No patron has seen the need to have the ability to have a balance in excess of \$1,000 and become a registered patron.
- Spend Limits: Within the Card Based Gaming system, patrons have the ability to set limits on their gaming play. Patrons can set a 'Spend Limit' which will suspend the gaming account should this limit be reached in any gaming day. The spend amount is calculated in real time with every play of the machine using the formula 'Turnover – Wins = Spend'. Once a patron's account has been suspended the card cannot be used to draw funds down to a machine until the next gaming day. Patrons are still able to withdraw money from their account at the cashier station. Using the Player Kiosk, a patron has the ability to increase their Daily Spend Limit as long as they have not yet reached that limit.
- Player Statement: At any time a patron can produce a statement of their account or spend amounts via a 'self help' menu on a player kiosk. This gives patrons a clear picture of how much they are spending on gaming and allows them to make an informed choice on their gaming behaviour.

Table 1 Card Based Gaming (Maxgaming)				
Account Type	Non Validated Visitor	Validated Visitor	Standard Player	Registered Player
Life Span	1 day	30 days	Indefinite	Indefinite
PIN Required	No	No	YES	YES

ID required	Signature	Signature	Name, Address, DOB	100 point check
Account Limit	\$100	\$100	\$1,000	\$10,000 (Default \$2,000)
Draw Down Limit	\$100 (Default \$20)	\$100 (Default \$20)	\$100 (Default \$20)	\$100 (Default \$20)
Inactivity Period	12 months	12 months	12 months	12 months
Inactive Funds sent to	OLGR	Patron if known (else OLGR)	Patron	Patron

- Player Profile: Evidence suggests that the player profile of patrons is as diverse as the membership of the venue. While some of the patrons who have taken up the facility visit the venue almost everyday and are regular gaming patrons, others game little but see an advantage in being enrolled in the system. Table 2 shows that patrons aged from 36 to 50 had the highest take up rate as a proportion of Carded Players. Also, it illustrates that men were slightly more inclined to take up the offer than women.

Table 2 Player Profile							
All Card Users	Age Group						Total
	18 to 25	26 to 35	36 to 50	51 to 65	66 to 80	81 +	
Female	23 1%	47 2%	294 11%	600 22%	550 20%	144 5%	1,658 62%
Male	24 1%	43 2%	173 6%	357 13%	357 13%	73 3%	1,027 38%
Total	47 2%	90 3%	467 17%	957 36%	907 34%	217 8%	2,685

SIMPLAY Users

	18 to 25	26 to 35	36 to 50	51 to 65	66 to 80	81 +	Total
Female	2 1%	2 1%	26 14%	46 24%	25 13%	6 3%	107 56%
Male	1 1%	5 3%	20 10%	34 18%	23 12%	2 1%	85 44%
Total	3 2%	7 4%	46 24%	80 42%	48 25%	8 4%	192
% All	89%	109%	138%	117%	74%	52%	

- Time Limits: No patrons have taken up the facility to place a time limit on their gaming play.

Overall, the Card Based Gaming application gives the player a practical tool or mechanism that allows for self-regulation and harm protection where it is deemed necessary by the patron.

The social impact of Card Based Gaming is not only significant but quantifiable. Consider the following report in Figure 3 which shows the playing history of a player. It is interesting to note

that the patron attempted to play again at 15:12:47 after exceeding their play limit an hour earlier. This is evidence that the pre-commitment facility has value for those patrons that feel they need a method of regulating the amount of money they wish to spend on gaming.

Figure 3 Player History

SIMPLAY - Audit Detail by Patron

Report Date: 01/12/2008 16:28:52 From: 04/08/2008 06:00:00 Until: 01/12/2008 06:00:00 Page 1 of 5

Site: RSLA Redcliffe

RSLA Redcliffe

MR. [REDACTED]

Operation Date time	Transaction Type	Amount 1	Amount 2	EGM#	User ID
09/08/2008 15:34:28	Exceeded Daily Spend Limit	500	595	1853043	
09/08/2008 15:49:59	Exceeded Daily Spend Limit	500	595	5560109	
09/08/2008 15:50:04	Exceeded Daily Spend Limit	500	595	5560109	
21/08/2008 13:59:32	Exceeded Daily Spend Limit	500	730	1790136	
21/08/2008 13:59:59	Exceeded Daily Spend Limit	500	770	1790136	
21/08/2008 15:12:47	Exceeded Daily Spend Limit	500	770	630071	

MIS. [REDACTED]

Operation Date time	Transaction Type	Amount 1	Amount 2	EGM#	User ID
21/08/2008 13:37:07	Exceeded Daily Spend Limit	4000	4030	7003478	
21/08/2008 13:38:26	Exceeded Daily Spend Limit	4000	4030	7003478	

In the 4 months since the start of the trial, there have been 43 instances where patrons have reached their 'Spend Limit'. These accounts were then suspended and not able to be used again on those days. This is a fundamental harm minimisation element of the system. At no time has a patron got close to their spend limit and then increased it in order to circumvent the feature of locking the account.

APPENDIX 2 - HERVEY BAY RSL & SERVICES MEMORIAL CLUB RESPONSIBLE GAMBLING INITIATIVE

Why Hervey Bay RSL went down the Harm Minimisation Path:

The Hervey Bay RSL & Services Memorial Club Inc. prides itself on its proactive approach to making the gambling entertainment activities it offers as being self sustaining and not harmful to its patrons. The club Committee and Management strive to take a holistic approach in offering of the services of gambling entertainment and alcohol.

The club must be proactive and responsible in exploring initiatives like having a qualified addiction counsellor regularly visit the club, develop systems and mechanisms like the in-house problem gamblers database and offer gambling help groups a safe, comfortable place to meet.

The provision of gambling entertainment activities can be beneficial for funding community initiatives and member's services and facilities, however every business offering such gambling activities must be sincere, vigilant and proactive in ensuring the community and gambling interaction has positive outcomes.

Community focus of the club – being socially responsible protecting our community from harm associated with problem gambling.

Risk Mitigation – protecting the club from negative impact of having litigation associated with problem gambling

Sustainability – ensuring gaming is maintained as a sustainable entertainment activity.

How the Hervey Bay RSL achieved best practice in Harm Minimisation:

Developing operational policies and procedures – from Code of Practice recommendations. Containing the following processes and systems:

Providing information to patrons

- gambling help services help contacts and hotline numbers, signs of problem gambling (brochures, posters)
- return to player information (odds, probability, gambling within your means)

Interaction with Customers and Community

- Providing information (outlined above)
- Customer Liaison Officers (trained staff to liaise with patrons and offer exclusions)

Complaints handling and Incident Escalation Procedure

- Recording complaints

Exclusion provisions

- Self-Exclusions; Venue Initiated Exclusions; Revocations

Minimising risks of the Physical Environment (restricting access to Minors and Unduly Intoxicated patrons, encouraging breaks in play, adjunct child care – parents to check on hourly, signs and brochures, clocks to mark the passage of time)

Limiting financial transactions (ATM savings withdrawal only, ATMs not located in sight of gaming area; \$1,000 cash limit pay-out on the day, no credit)

Ethical Advertising and promotions

- No gaming advertising or promotion of gaming machines
- Player Loyalty system – aids in observing individual gaming expenditure – assists in identifying potential problem gamblers.

Who the Hervey Bay RSL engaged to assist:

Internal Staff – policy development was done by Senior Management staff who are recognized as best practice.

Qualified Counsellor – The club identified the need to be proactive in the prevention of potential problem gamblers. The club had formed an association with a local qualified counseling provider to implement a weekly on-site service located in a prominent position in the club's café adjacent to the gaming room. A private room for individual counselling has been made available if required. This 20+ years qualified gambling addiction counsellor has since trained 4 assistants to provide counselling in the Wide Bay region. This service commenced as a Gambling help service. According to the primary counsellor the counselling service now covers broader issues like addictions, financial, stress, trauma, relationships, abuse, domestic violence, anger management, disassociation, self esteem, depression, anxiety, self harm and suicide prevention have been encountered and have mostly been resolved.

Also this counsellor runs a gambling help support group each week.

The senior counsellor has reported these types of activities are a valuable assistance to the community and enhance the club's image as a beneficial community organisation.

How the Hervey Bay RSL Harm Minimisation initiatives were put into practice:

Committee Approval – Committee was presented with policies and procedures and endorsed proposed activities.

Proactive Promotion of the Club as a Responsible Gambling Venue – General Manager had a live to air interview with the ABC radio promotion RSG practices of the club. Also our newspaper ads and the bi-monthly magazine contain details of the free on-site counselling service. During the regulatory gaming audits by QOGR (now OLGR) the club was identified as having best practice in place through it's initiatives of the Policy and Procedure, Gambling help counsellors, Problem Gambler's database and staff training.

Problem Gambler Database – The club developed a problem gambler's database for gaming staff to access photos of excluded gamblers and details of people under Monitoring. Gaming staff review this database the first shift of each month.

Sharing of Resources – the Club has shared its initiatives like on-site gambling help counselling service provision with other clubs and hotels.

Developing Local Gambling Help Brochure – providing local contact addresses and phone numbers for gambling support

Staff Training – Ensuring all staff are trained in identifying potential signs of patrons with gambling issues, and a process to follow to inform senior management. This training occurs at Induction; accredited RSG training, and ongoing departmental meetings.

Self Assessment – conducting monthly self assessments of our responsible gambling (harm minimization) practices and making changes where needed.

Policy and Procedure Database – the club had developed an on-line policy and procedure system tracking staff progress in reading and signing-off such policies. The Club's Responsible Service of Gambling Policy and procedure is assigned to every employee to read.

APPENDIX 3 - SELF ASSESSMENT AND ONGOING SUPPORT GUIDE AND DVD

This resource was developed to complement existing CLO training and general currency for gaming staff and gambling help providers.

The aim was to provide staff with a user-friendly method of self-assessing their ability to assist others and to establishing links to ongoing support

The Guide and the DVD provide invaluable resources for responding to and implementing responsible gambling initiatives. As such, key elements of the tool recognise the fact that gaming employees:

- need a structure for ongoing support after initial training
- should have the opportunity to self-assess their ability to assist others with responsible gambling matters
- should have a structured link to confidential professional support to discuss any concerns in their role
- require additional resources to maintain currency of their knowledge of responsible gambling matters
- require a resource that is accessible (particularly in remote areas) and that links with their existing training
- should have a good understanding of how someone develops a gambling problem and key indicators
- should have a good understanding of how a staff member may develop a gambling problem and key indicators
- must have a better understanding of what happens in counselling, so they can confidently explain types of support being offered to those seeking help

It is expected that this resource will further improve 'best practice' throughout the not for profit community club sector.

The DVD is 20 minutes in duration and is accompanied by a 20 page booklet.

These two resources are attached for the Commission's reference

APPENDIX 4 - RESPONSIBLE GAMBLING NETWORK

Role of the Responsible Gambling Network Forum

The Responsible Gambling Network forum is a body of representatives of the local gambling industry, Gambling Help services and Queensland Government. The RNet helps develop partnerships between industry, community and government to address emerging local and state issues or social concerns related to responsible gambling. In the forum issues can be shared, and through discussion, advanced to assist the local gambling industry to continue to provide a safe and sustainable environment for the community's enjoyment. The forum also allows the network to provide feedback on these issues to the Responsible Gambling Advisory Commission (RGAC) through key representatives.

Terms of Reference

The Terms of Reference for the RNet are as follows:

- *to promote and monitor the development of partnerships* between community, industry and Government to address social concerns related to gambling;
- *to provide a forum* for the exchange of information and views between community, industry and Government concerning issues relating to responsible gambling;
- *to provide advice* to the Responsible Gambling Advisory Committee (RGAC) through their representatives on the RGAC on emerging concerns, and related issues, associated with problem gambling in the local community; and
- *to provide a forum* where participants can raise and discuss other issues and exchange information that relates to the gambling industry in general.

Secretariat

The Gambling Help Service will provide secretariat assistance, which shall consist of

- recording issues and outcomes at each meeting
- preparation of minutes and circulation within 10 working days of the meeting
- receive agenda items from forum members
- prepare an agenda for distribution to forum members within 10 working days of the next meeting