

THE LEGISLATIVE COUNCIL SELECT COMMITTEE ON THE IMPACTS OF GAMING MACHINES MET IN COMMITTEE ROOM 2, PARLIAMENT HOUSE, HOBART ON TUESDAY 16 APRIL 2002.

Mr CHRISTOPHER RANDALL JONES, CHIEF EXECUTIVE OFFICER; AND **Mr PETER JAMES BOYCE**, PUBLIC POLICY CONSULTANT, ANGLICARE TASMANIA INC. WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED.

CHAIR (Mrs Silvia Smith) - First up, I would like to thank you for your very detailed submission which I am now just placing back in my binder having looked at it. I think that the format, if you are agreeable, is that you speak to your submission. We have read it and tried to take in all that you have to say but if you could brief us on what your submission is basically all about. Then as we go along, if the members of the committee have questions to ask they can intervene, if you do not mind, and ask those questions, including myself. Okay?

Mr JONES - Thank you very much. Certainly I would like to congratulate the Council to start with on the initiative it has taken by establishing the select committee because it has been something that Anglicare has been concerned about for some time.

I do not need to outline our profile in the community. There is so much to say. It is not a new issue for us to tackle, the gambling question. Certainly, in 1996 when we wrote a report called *More Than a Bob Each Way* it began the process for us of trying to engage in issues to do with gambling in this State. We followed it up with some research into patron care practices in 1997.

The approach we are trying to use has been quite a constructive one. We are not wowsers. We are not saying no. What we are saying is that it has to happen in a way that is constructive for the whole of the community. We have been working hard with industry and with government to try to come up with the best way that we can actually look after patrons in particular. That has led Anglicare to be involved in two ways. One is around service delivery of problem gambling counselling services to break even. You will hear some of our staff tomorrow so that will be part of the team that will come tomorrow. The other area for us is really the area of social policy. We talk about a just Tasmania and one of the keys for us with justice is trying to engage in social policy questions.

We have been frustrated over the last couple of years about not really being heard when it comes to the issues surrounding gambling. What we have done is set out in our submission what some of our concerns have been. You will hear some of the frustration that is in there and we really want to talk to that.

James and I have been hammering away at this problem over the last three and a half years when he and I both arrived at Anglicare at about the same time. So for three and a half years we have been committed to trying to make some change. This gives us a bit of

an opportunity to state a case on what sort of changes we require. James is going to address some of that later.

Mr BOYCE - Just to give you a little bit of a break, because I am sure you have heard a lot about the costs and the benefits of electronic gaming machines already and will hear a lot more about them in the subsequent submissions, our focus is going to be a little bit different.

You know Anglicare's record and Anglicare's record of concern about those issues. Our focus today is on the policy-making context because those different views about electronic gaming machines are inevitable and they are predictable. What is not inevitable and what Legislative Council amendments in 1993 sought to ensure through the Gaming Control Act was that we had no independent mechanisms in this State to make balanced policy decisions, to reach the community compromises around this contentious issue which we always knew would occur.

CHAIR - Are you talking about the commission itself?

Mr BOYCE - I am talking about when the Gaming Control Act was debated in 1993. As you know, it looked like the Legislative Council was going to defeat it. It got through after vigorous community debate with some key compromises. Those compromises were not going to change the actual roll-out of poker machines. What they would do was change the policy-making process itself.

The key amendment won was the Tasmanian Gaming Commission. Previous to that there had been the sole Gaming Commissioner. That was seen as enormously significant by the councillors at the time and the functions given to that commission were explicit, made law. They included the provision of independent policy advice. It was discussed in Parliament at the time, the *Hansard* record confirms it, that the councillors well knew that any government, Liberal or Labor, was going to be revenue driven on this question and that there was going to be a continuous increase unless we had those policy-making safeguards in place. So they established the Tasmanian Gaming Commission to provide the independent policy-making advice but also ensured that the community support levy was hypothecated. It was no longer just a general fund. Part of that hypothecated levy was 25 per cent expenditure on research. That was a compromise won by the Legislative Council as well. Moreover, the Tasmanian Gaming Commission was to administer the community support levy. That is, they would control the research into gambling in this State. That was the explicit intention. The councillors believed that they had made that law in 1993. Our understanding is that it is still law of the land. You would not know it from what has happened in the last decade.

We are left in the situation in 2002 where we still do not know the social and economic impacts. You might hear some very reassuring messages in some of the other submissions that we actually know what is going on with gambling in this State. We can assure you, we do not.

CHAIR - We have already had a lot of people saying just that.

Mr BOYCE - Yes. We are in a situation of ignorance. Given that, we believe, there is over \$1 million - you might be able to establish the exact figure - sitting in the Treasury trust

account for the community support levy which has a hypothecated by law requirement for 25 per cent to be spent on a component that includes research, that is unforgivable. It is unforgivable. The fact that we have a political boycott from the Premier down saying, 'We will not have a social economic impact study' is also unforgivable because it is simply not his decision to make. That is a decision to be made by the Tasmanian Gaming Commission which is supposed to be this body independent of government.

I believe that the Legislative Councillors in 1993 ensured that there was to be an independent policy-making process where groups like us could raise our concerns and be heard. Okay, obviously not to have our opinion prevail all the time, we do not expect that, but to have a fair hearing where we could have those views heard and then decisions would be made and through the independent TGC, through the hypothecated community support levy, and specifically - and this is very important - the deed with Federal Hotels was to be subject to the Gaming Control Act. This was something of enormous concern to Legislative Councillors in 1993, that they were not, through the deed with Federal Hotels, handing responsibility for the law of Tasmania over for the next decade, that through Schedule 6 of the act it was specifically ensured that the deed was to be subject to the act, that the sovereignty of Parliament was to remain - that is, the will of the people could prevail on gambling policy.

CHAIR - I had actually looked at that in your submission, and there is no Schedule 6. I think what you have caught up with here is section 6, provisions of the act to prevail over the deed. Is that where you are talking about?

Mr BOYCE - Yes. Section 6, sorry.

CHAIR - Yes, it is section 6. And it is not necessarily saying that the act overrides unless there was an inconsistency at the time of the legislation when it was originally passed, and I do not have total legal advice on this at this point in time, but the way I see it is that the act cannot be amended without breaching the deed, and then if you breach the deed, of course, you are into compensation and those sorts of things. But that just explains that section there.

Mr BOYCE - With respect, that very question was raised at the time in Committee, and specific assurances were given by the Leader of the Government that in fact the act could be amended without prejudice, even where it affects the deed. That is in the submission, and that was a specific assurance given, that very question you are raising.

CHAIR - Yes, I noticed you mentioned that. I need to check the second reading on that.

Mr BOYCE - So we have had that clarified in Parliament that the act could be amended without prejudice. Either we believe what assurances are given in Committee or we do not, but that was the assurance given.

CHAIR - Yes, I noticed your comment on that on page 2.

Mr BOYCE - So what have we actually had in reality? What has been the reality of the tripartite policy agenda of the Government, the TGC and the industry, where on any fundamental matter they have not differed since the Gaming Control Act was introduced? The reality is that we have a Tasmanian gaming commission which has a

Treasury boss, a Treasury chair and a Treasury agenda. The definition of their role that they have chosen for themselves has been set by the Government and not by the act. It has been decided by the executive, not by the law. They have decided that their role is just in matters of regulation, which they never quite define for us but an incredibly narrow definition of regulation which no doubt you will be able to explore with them in detail. There has been no research until the last couple of years, despite the requirements of the law, and then even in the last couple of years the limited research we have had has been subject, as I say, to political boycott, which would seem to be illegal under the act. And the deed, as we have heard repeatedly from the minister every time we try and raise an issue, is deemed to be unchangeable and overriding the act and has effectively disenfranchised not only the community but the Parliament itself, our representatives.

There are countless examples we could give of what this has meant in practice, and you are probably hearing our frustration in my voice and you are hearing it in the submission, but we have been dealing with this policy-making process, on which we deal with the State Government in a very cooperative way over a whole range of policy issues, and this is unique. There is no parallel to the lack of access, the lack of chance to put legitimate concerns, as there is in this area.

The betting limits fiasco. You might remember that on 1 January 1998 under the deed all betting limits on electronic gaming machines were to be removed. We were told at the time - we campaigned on that during 1997, initially politely, expecting a hearing, raising our concerns; in the end, like every other time we have raised something, having to go public to get any sort of hearing at all - that could not be changed because it was set out in the deed and the deed was sacrosanct, besides the fact the deed can be changed, as we have already acknowledged. But the point is that the specific assurances as we set out in the submission were given in Parliament at the time that the Tasmanian Gaming Commission would decide what happens after 1 January 1998 in regard to betting limits. It doesn't say anything, the deed doesn't say anything, about what betting will be in place after 1 January 1998. What it says is that the current betting limits will expire after 1 January 1998 and, of course, the question was raised by Legislative Councillors what will happen after that? The answer was given that the Tasmanian Gaming Commission would decide.

You can imagine our frustration in 1997 - okay what's going to happen and we just had the minister saying the deed says there'll be no betting limits and we're saying no it's not, it doesn't say that. It says the Tasmanian Gaming Commission will decide. Then we're trying to get a response from the Tasmanian Gaming Commission, are you actually going to participate in this debate? Are you actually going to exercise your role that the Parliament has determined and nothing, silence, and we're just disempowered.

CHAIR - You're not getting any answers at all?

Mr BOYCE - You would remember the public debate at the time. We were never given any information other than what was in the public arena.

The second example, the electronic gaming machines fiasco of a couple of years ago. Again, it entered the public arena. This showed that this is the only case that I know of where those three partners we referred to have had a public difference. This was when the Tasmanian Gaming Commission actually decided to act and took an independent

action to ban access to cash machines in gaming venues. So this showed the sort of things they could address if they chose to address them but they hadn't before and they haven't since.

However, it was done without any research, without any consultation, and then as soon as the industry launched a very public and high-profile campaign to have that decision reversed within days it was done. The basis of it being done again was with no research and no consultation the decision was made in that way and the reversal was made in that way. The reason given, we fairly quickly, even with our limited resources managed to establish, was a load of nonsense and that was that there were far too many Tasmanian communities where the pub was their only access to EFTPOS.

We looked into that and you could find a handful but in almost every community there was a shop or some alternative EFTPOS facility. There were legitimate issues in those few communities but we could've addressed those. That was a big problem. If the only place for alcohol issues and a whole range of other social problems, if the only place they can get EFTPOS facility is the local pub that is a problem. We could've addressed that on a community by community basis and instead we had this whole gambling policy being decided effectively on the basis of a very misleading industry campaign.

Thirdly, I've already alluded to the social and economic research which needs to happen has been subject to a boycott from the very top of government in this State, even though it's clearly a TGC and not a political decision to make.

Fourthly, you're hear a lot from the industry that we have the best code of patron care in Australia. We, as the organisation who developed that code, I'm not saying that it's a worthless code, it's largely built from the Anglicare report, however what was the key part of the Anglicare report was that it was to be evaluated between July and December 1998. We were developing this code before electronic gaming machines were on the ground. We didn't really know what would work best and so it was to be evaluated. It was an interim code.

That research has never happened. So we do not know if the voluntary code of patron care in this State is working. We do not know the answer to the biggest question of whether the voluntary code needs to be replaced by regulation as the Productivity Commission Recommended. So that is an open question. We're not criticising that code but if you hear people making those reassuring comments all we can say is there is no independent monitoring, the Tasmanian Gaming Commission never monitors it. It's simply left to the industry who constantly tell us it's the best in Australia but there is no independent research evidence to back that up.

The fifth example, the Anglicare research *Tasmania Responds*, which was partly funded under the levy which was the Government's main response to the Productivity Commission inquiry again after a public campaign about the lack of response, has simply never been released. You might like to ask. That's a very comprehensive report prepared by an independent consultant. We don't know what the Government's choosing to do with that. Unfortunately we're not permitted to release it ourselves.

Mrs SUE SMITH - You have a copy of that?

Mr BOYCE - Yes. Anglicare wrote it.

Mr SQUIBB - Why can't you release it?

Mrs SUE SMITH - Has somebody checked the legalities of whether or not this committee can request papers?

Mr SQUIBB - Yes, we can.

CHAIR - We can, yes.

Mrs SUE SMITH - We can, thank you.

Mrs SUE SMITH - I think it is appropriate that we request that a copy of that be provided.

Mr SQUIBB - It is a matter of whether we request it from Anglicare or whether we request it from the department.

CHAIR - It is probably owned by Anglicare is it, or is done for the department?

Mr BOYCE - No, that is the question,

Mrs SUE SMITH - Perhaps we will discuss it at the end of this but I think we will make a request in the appropriate manner.

Mr JONES - I am not sure how the Tasmanian Gaming Commission are appearing and I would be interested to know in what guise that would appear given some of our concerns. But certainly that is the area where the question ought to belong. But certainly the minister has indicated it cannot be released.

CHAIR - We will investigate that matter.

Mr BOYCE - The Productivity Commission inquiry - as you would know, there are countless recommendations as to how to improve regulation. No matter how narrowly you define the Tasmanian Gaming Commission's role there are countless recommendations relevant. We do not have any idea what the Tasmanian Gaming Commission submitted. The Productivity Commission inquiry, I understand there was some verbal evidence. We do not know what their response to it has been. The Tasmanian gambling industry groups made some very small initiatives as a result of it. But what has been the independent response at the TGC is something we do not know and maybe we will be able to find out of the Productivity Commission report.

Finally, electronic gaming machines, as you know, under the deed itself by 30 June next year there needs to be a decision made as to how many machines we have after that date. The key player in those negotiations is the Tasmanian Gaming Commission. Yet we are constantly told this is a political decision, there is no sense of the Tasmanian Gaming Commission setting up the research, setting up the consultation structures so that they can make an informed decision after 30 June. Okay, it will be a bias to government, but made informed advice to government after that time based on full research, full consultation. Surely this is the biggest decision in gambling policy since the Gaming

Control Act came in and yet there is a passive acceptance that this is just going to be a political decision to make. It is not a political decision to make. So the actions needed: to restore the integrity of the Gaming Control Act and the Legislative Council safeguards that they ensured through the amendments to that act in 1993, we need an independent director of the Tasmanian Gaming Commission, not just an independent chair, although obviously that is a particularly bizarre situation where the secretary of Treasury and Finance is the chair of the Tasmanian Gaming Commission. But we need more than that, we need an independent director because you cannot just have a board, in a sense, an independent board. Something like the office of the Tasmanian Electricity Regulator can provide a model.

We need full, proper research without this political boycott. Before this decision of 30 June next year is made the social and economic impact study simply has to be done. Leading up to that decision we need independent consultation processes so that we all can have a chance to have our say and whether we agree or disagree with a decision that is made next year at least we can have confidence in the public policy-making process that led to that decision. That is all in the end that Anglicare is asking for. We are not asking that our wishes prevail on this issue, we are just asking that those essential policy-making safeguards that ensure that we could have a say and that balanced compromises would be reached would be put in place as Parliament intended. I do not think that is a particularly radical demand.

CHAIR - Fair enough. The independent Gaming Commission itself and the make-up of the Gaming Commission itself would have to have prerequisites on the types of persons that could head that up and participate in that. Have you any thoughts on that?

Mr JONES - Certainly some of the material I think that was in one of the pieces of legislation that you were proposing talked about at one stage - was it yours or it might have been Ms Putt's.

CHAIR - Ms Putt, yes.

Mr JONES - Yes, it talked about having a range of people from the community and I think that is the sort of thing that ought to be there and I think we could expand the requirements that are currently in the legislation to cover that.

Mrs SUE SMITH - I put the same position to you then that I put to Ms Putt. The legislation as it stands says three persons. But I put the position to her that once you start to look into community groups and organisations, surely you could be accused of having the same pecuniary interest as the current head of the TGC has at the moment and thus if we could get three totally independent commissioners external to government with a directorate, own office structure et cetera and so forth, would you have some confidence in that process working?

Mr JONES - I think we could, but I think the level of interest that the current chair has would be over and above what you could talk about with a number of other Tasmanians we have. I think it is possible for us to have a range of people on there. I think certainly the idea of extending from three to five was not a bad thing to do, so you would have a range of views being picked up. Now Tasmania is a small State and we all have multiple interests, I appreciate that, but I think it would be possible to limit the potential for there

to be some conflict of interest, if you like, not pecuniary interest but a conflict of interest. I think it would be possible to do.

Mrs SUE SMITH - So in answer to the question, give us a make-up as you see a board of five people that does not have that conflict of interest. You are not the first person to talk about the conflict of interest of the Treasury also being chair in that particular process, but I have a concern that if you start to bring community groups in you could be accused of exactly the same thing of this pecuniary interest angle.

Mr BOYCE - It is almost a preface to it, really, but I think the make-up of the commission itself is an important question. I just want to preface it by saying I do not think it is the most important question, because essentially in the end they will have the role that a board essentially has. They cannot play that hands-on, nor is it appropriate that they do under good governance. You have to let the staff get on with the job. But the key question is that their reference point is back to the act itself. Deciding what they are doing, the parameters of what they are doing are determined by Parliament, not the executive, and are not subject to the whims of the executive as they are at the moment. We give some quite concrete examples in our submission of when we consult with them, and what you find is that they simply cannot wear the two hats that they are expected to wear, that the Director of Treasury and Finance - I think it is Director of Treasury, Finance and Licensing now, the terminology is slightly changed - who is the boss of the Tasmanian Gaming Commission, just cannot wear those two hats. They are at critical junctures - we often engage them in these points of controversy around public policy - always public servants, and in fact they admit that to themselves when you challenge them. They cannot stop being public servants.

So the key importance is to get a balanced commission, but to separate out the boss, so that the management is independent, there is actually an independent director. They are reporting to those commissioners, because that will be what will make the difference in the end. It is no good if you are just relying on senior Treasury management, because that is their only source of information, their only source of advice. We know that boards cannot really move very far, not matter how independent they are.

Mr SQUIBB - Would you retain any Treasury representation on the commission?

Mr BOYCE - There is not Treasury representation now, remember, if you believe them. There is no Treasury representation under the act. In fact there was a specific commitment given in Parliament -

Mr SQUIBB - An interim arrangement.

Mr BOYCE - Yes, that he was to be replaced within 12 months. He was the previous commissioner, and of course the Tasmanian Gaming Commission was established with very little notice. It was part of the compromise reached to get the legislation through. They needed some interim arrangements to establish the commission, and so he was to stay on as the chair of the commission until they had established it effectively, and there was a specific assurance given that that was an interim arrangement and it suited everybody's purposes just to continue on, really. I mean, that is a particularly in-your-face, bizarre situation where they are not even trying to give the facade of being independent. You know, normally you try to set up these processes so you look

independent even if you are not, but in this case they are not even trying to look independent. It shows the contempt really, I think, with which this issue has been treated, the arrogance with which the community and, may I say, the Legislative Council who had the special responsibility, I think - you were the ones who negotiated on our behalf to get these compromises in place. I believe the Legislative Council has a very special responsibility in this area. If you an independent watchdog, if all that rhetoric has any meaning, this is very much a test issue, and that is why we were so excited about the inquiry because it really did show that the Legislative Councillors were taking it seriously. That was a preface to your comment.

Laughter.

Mr JONES - When we've looked at it before we looked at a skills set as opposed to individual positions. So we looked at someone around community development; someone academic in terms of some of the capacity to do research, and there's that rural task force group at the university; an economist; there's certainly a social policy role that's got to be fulfilled; and we also had a strong view about regional representations to balance it up.

So we talk about a skills set as opposed to five particular people but there might be a range of people you actually recruit. And you can name people who may well be in different organisations like ours or in government or other places that can fill it but if you talk about a range of people who come together and then they're resourced, I think that's the key to it. We're not talking about them having to decide everything; they're actually going to be responding to key staff who actually can tackle the issues separate from their obligations to meet the demands of Treasury.

Mrs SUE SMITH - Thank you.

The other issue: you made a comment about the lack of social and economic impact studies. Certainly there are two baseline studies done. But it appears to me, and it's an Australia-wide phenomenon, that someone puts their hand up somewhere and says we'll study different parameters every time so there is never any follow-up and any consistency.

The community service levy, one of its components is for research. Do you have an opinion on whether or not perhaps biannually the Tasmanian Gaming Commission should be responsible for a social and economic impact study that happens biannually under the same sort of terms of reference so that as a community moves, as the economics of a community move over time, as socially communities move in different ways there is a requirement that biannually there is a standard report done so that you have -

Mr JONES - Certainly we want the longitudinal data. The longitudinal data is essential so you've got to repeat it but we're not talking about doing this in a vacuum and certainly in our proposal we talked about trying to pick up on what's happening in other parts of the country as well. Certainly, as I understand it, the gambling minister's task force has appointed a reference group to oversee research across the country and there is going to be some work done out of Victoria to do that.

We can see that we could use the questions, if you like, the data set that comes from elsewhere and use it here and then we can repeat it. So we don't want to say its got to be something that's uniquely Tasmanian, there are many factors to be attended to in Tasmania, but it's possible to pick up a good model elsewhere and apply it regularly in Tasmania to give us the data.

Mrs SUE SMITH - The issue I'm looking at is the consistency of it.

Mr JONES - It's got to be done all the time.

Mrs SUE SMITH - So that it is somewhere entrenched that it is a requirement of the commission or whatever.

Mr BOYCE - I think whatever you want to do will have to be so explicit in legislation because like the first baseline study, you would've thought that was fairly explicit. If you go back to 1993 the agreement, again part of the compromise was that that baseline - it was again the Legislative Council who got that baseline study up and the whole point of a baseline study I think they naively assumed at the time would be that it would be followed up. What was the point of doing a baseline study if it was never followed up?

But it was unfortunately an assumption because it was not followed up. We hammered about that for years and years. There were no processes in place to ensure that it was done, even though the money was there and that baseline study was supposedly regularly followed up corresponding with the regular roll-out of machines. It wasn't any coincidence that it was a gradual roll-out and this ongoing research, it was sensible policy, but we didn't have any baseline study follow up until, to her credit, Mrs Jackson has done that recently. But that was after quite a lot of pushing over many years and that should've been done on a regular basis. So if you wanted longitudinal studies I think they would have to be made very explicit.

We would say the first urgent need, I know that there have been studies interstate and often this is used almost as a throwaway line, there's been plenty of research, the fact is in Tasmania there has been very, very little research. We are facing a policy decision on 30 June next year which is of enormous significance and we haven't done the research required to make that decision. So the first requirement is that we have the social and economic impact study prior to that policy decision being made in the middle of next year.

CHAIR - And done independently.

Mr BOYCE - Ideally there are follow-ups to that study but done independently.

CHAIR - Totally independently of government. What about the same group who did the last study, the recent one by Minister Jackson? Would that be an appropriate group to do an absolute social and economic one or keep it totally independent?

Mr JONES - I think there are some limitations about the second baseline study that was done. We would be happy to canvass about how it could be done better to get the information that is required. One of the things that we have been told is that you are just lobbying for business. We are quite happy to step out of it. It is not about us doing it, it

is about getting it done by people who know how to do the work that can give us the information that we need given the decision that is coming. As I said, it has to be independent but I think it actually has to be sufficient to give us the right sort of resources to make the decisions.

Mr BOYCE - We set out in the submission the concern that the only research that we really have is that study.

CHAIR - Yes.

Mr BOYCE - Other than the suppressed Anglicare one which hopefully you will be getting a copy of.

CHAIR - To clarify, that is the one you referred to as *Tasmania Responds*?

Mr BOYCE - That is the Anglicare one, yes. The baseline follow-up study, even though we have concerns about its limited scope and we have concerns about its very narrow definition of problem gambling which is basically to confine it to people in real crisis, pathological, addictive sorts of behaviour, the Productivity Commission used a much broader definition of problem gambling which we think corresponds with normal community expectation of the word - that is, people with a problem caused by their gambling - that is not the definition that was used in the baseline study so we get a misleadingly low figure. In fact, the fact that that is a misleadingly low figure is confirmed by some of the other statistics in that very study which never get quoted but which actually show the very high numbers of Tasmanians who know someone with a gambling problem and the other ones that we set out in the submission. It is not a reassuring study. It does not show that problem gambling in Tasmania is holding steady as the Government would have us believe.

CHAIR - You make the comment here that since the Productivity Commission found that accessibility was the most important variable determining their numbers, the fact is that the follow-up baseline study found it doubling from six per cent to 12.3 per cent. That has to be a worrying factor. The in-depth study of that specific figure there of persons themselves or family members experiencing difficulty is what you are saying really needs to be got at now and have a really in-depth study done on specifically that area, I guess.

Mr BOYCE - In a sense that baseline study raises more questions than it answers. That is what I would say. It certainly does not provide the reassuring answers that we can sit back complacently on the basis of one particular figure in that report as the minister has publicly claimed.

CHAIR - I guess correlating with that is also that the survey found that 23.1 per cent of Tasmanians now know someone personally who has experienced serious problems with their gambling. Obviously we need to look at that in far more depth or have it looked at from an independent point of view.

Mr BOYCE - Certainly the claim which has been publicly made on a number of occasions that those more disturbing figures are just a result of better awareness of problem gambling; we have no evidence to back that up. That is simply a dismissal. It is part of

a propaganda war, it reads to me. Again, we have a sense that there is constantly this attempt to reassure us that everything is okay, everything is being managed rather than policy-making processes which seriously consider the research and do this in an informed, balanced, critical way. We are not trying to win a propaganda war, are we? We are trying to come out with the best, sound public policy.

CHAIR - The best public policy for Tasmanians, yes.

Mr BOYCE - It is far too important an issue.

CHAIR - It was 12 months ago that that report was done. I guess the question could be mooted, what has changed since then?

Mr BOYCE - Yes, this is not an issue that should be decided by PR people pushing a particular line at whatever opportunity they have.

CHAIR - Do you have any questions there, Geoffrey?

Mr SQUIBB - No.

CHAIR - Any other points you want to go on to.

Mr JONES - No, I think we really just want to amplify if you like, or stress some of the things that are in the submission really.

Mr BOYCE - Can we just mention briefly, Chris, just again something I sure the committee is aware of, but you will hear the misleading claim also that Tasmanians do not gamble as much as everybody else. Can we just point out that besides the fact that we are catching up very fast, the average household income per head in Tasmania is about 25 per cent below the national average. So if we take gambling expenditure as a proportion of disposal household income, we are already around the average and if current projections continue, because our growth rates are faster than the average nationally now, we could well be the biggest spenders as a proportion of our disposable household income on a per capita basis in the nation in a few years.

CHAIR - That question could probably be answered by part of this study on the social and economic impacts.

Mr BOYCE - Yes.

Mr JONES - It is really part of the process making sure we ask the questions that relate to the information we need to make a decision here in Tasmania.

CHAIR - The terms of reference would have to be fairly broad and very pointed as well.

Mr BOYCE - There are many social indicators, social and economic, but particularly social indicators. People tend to be aware of the unemployment statistics and some of the economic indicators where Tasmania is falling behind but there is a whole range of social indicators which show a community under deep distress and in grave crisis.

CHAIR - Can you just broaden that statement a little?

Mr BOYCE - Yes. Anglicare has recently completed this report, regional incomes and the cost of living for low income households, how does Tasmania compare? That presents a range of social and employment indicators where the gap between us and the mainland is opening up to an alarming extent. We are not saying that gambling is the cause of that. Obviously there are many factors including the global world we live in which have hit this State and particularly some of our regional communities very hard. But what we are saying is that in that situation of high stress both at the individual level and some of these regional community levels, we have to tread very carefully in public and social policy terms not to add stress to those communities. There are not very many areas that the State Government of Tasmania now has full control over. Even nationally, the number of areas we have full control over is diminishing. There is a limit to what we can do about employment situations. There is a limit to what we can do about income. There is a limit even to what we can do about our education systems and stuff like that at a State level. But gambling is one area where we can act tomorrow. The State Government is in full control of this policy area and that is a very unusual situation. We can reduce the growing stress in a very concrete and immediate way that will add dollars in the pocket for the lowest-income Tasmanians and reduce the stress on these vulnerable communities. So that is why it is a very important public policy area, even though it is not the main cause of the stresses and the fact that Tasmania is falling further and further behind national benchmarks.

Mrs SUE SMITH - Have you any evidence of which sector of the community has been mainly affected by the introduction of electronic gaming machines, anything that quantifies as a particular -

Mr JONES - That might be something that will come out with counsellors when they come tomorrow, about the break-even service providers, because that might be the sort of information that they have been able to pick up anecdotally, but that is also one of the things we ought to be able to tell you. If we had it researched then we should be able -

Mrs SUE SMITH - If I walk in and I see particular sections of the community at particular times and I should be worried but I have nothing to show that it is -

Mr BOYCE - If there was a independent research program as intended under the act do you not think that is one of the very first things they would have been looking at over the last decade? It is the question that everyone asks, it is the most obvious. Is this hitting the poorest the hardest? We cannot answer that. No-one in Tasmania can answer that because that research is deemed politically sensitive and it is therefore boycotted. That is the reality.

Mr JONES - I live in the northern suburbs, I live in Glenorchy, so I drive home along the main road and how many poker machine venues do I see between when I leave the office and when I get home in Glenorchy compared to going to other areas? You can make those sorts of anecdotal comments about where it might be hitting, but that is not enough. I would be laughed at if I took that to you. But why do we not have it? It should be easy enough to be able to get. We just do not have the base of research done.

CHAIR - One of the big looming comments that you have made, it seems to me, is that there need to be changes in policy direction. If you could list changes, obviously the make-up of the commission -

Mrs SUE SMITH - Only give them three.

CHAIR - Okay.

Laughter.

CHAIR - I will give them three after the first one, which is obviously the make-up of the commission in its independence. What other areas would you tackle first up?

Mr BOYCE - Look, our agenda actually is remarkably simple, and it is not so different from what was intended by the majority of the Legislative Council in 1993. What we would ask for is that until these sort of independent policy-making processes that we talked to you about today are in place, and until the research is done - we have an enormous amount of catching-up to do on the research and so we can actually answer these essential questions - there is a moratorium. That is all. We are not asking for cutbacks. We are saying, for goodness' sake, at least until we have actually implemented the Gaming Control Act in its spirit and in its entirety we just need to put this situation on hold. And so the further roll-out plan for this year - we are going to have another increase coming up very shortly - should be stopped, and then we need to have the proper research, proper consultation processes, an independent TGC established, and then once all that is done, that can then enter into negotiations with the Federal Group as set out in the act as it was intended, and we can all participate in those processes and there can be a fair and balanced outcome, which we would expect to disagree with.

It is not going to be our ideal world, but we will, as we do in other policy areas, accept that we have had a bit of a say and we have made sure that the issues of disadvantaged Tasmanians have had a hearing, and we know that the research has been done and that a public policy decision has been made, which will always have a lot of competing voices and competing issues to balance. Our job is not to make that balanced decision. Our job is to represent a particular group of Tasmanians and make sure their needs do not get missed out along the way as they have done to date in this area.

Mr JONES - We will endorse the patron care practice changes as well. As part of our sort of shift around, there are clearly going to be some patron care practices that are going to be made and we would certainly want to be supporting those, because they could happen in the short term.

Mr BOYCE - Absolutely, yes.

Mr JONES - And I suppose that comes back to Anglicare's twin role, if you like, with the social policy thing, but we are also concerned about how service is delivered on the ground, and so certainly we will be wanting to support any of the patron care practices that could be put in place that would make life easier for those who are facing particular difficulty.

Mr BOYCE - That full evaluation of the patron care code of course is something that we have been pushing for for a long time too, so that we know where the regulation is required in areas of patron care, which includes advertising. We really do not know if this voluntary code is sufficient, and we have strong suspicions that it is not, that regulation might need to replace it, but that should be decided by proper independent research.

CHAIR - Yes, the key is the independent research, is it not, really?

Mr BOYCE - Yes, I think always you get back to that.

CHAIR - One of the appendices that you added to your submission was a letter from 2000. Have you ever received an answer to that letter?

Mr JONES - No.

CHAIR - Did you ever do a follow-up to request an answer?

Mr JONES - Yes, and we never received a response.

CHAIR - It is a concern, isn't it, because you canvassed all the issues and your concerns.

Mr JONES - And that is part of it, I suppose, what we are committed to. We are not coming along here and saying things here that we have not said in other forums and raised with the minister. We have done that and have got nowhere, and it seems to be rather strange that you cannot on a matter of such importance get any engagement with those who are responsible.

CHAIR - Yes. Bringing it down to an independent group would perhaps be of assistance, wouldn't it.

Mr JONES - Yes.

CHAIR - Well, if you're happy that you've given us all the information.

Mr JONES - I'll send you a copy just for your own information because it covers, of course, some of the areas, the electorates and things that you are from. So I will send you a copy of that.

CHAIR - All right then. That would be useful information.

Mr JONES - Over and above what you might have here.

CHAIR - Thank you both very much.

Mr BOYCE - Thank you for giving us time.

THE WITNESSES WITHDREW.