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THE JOINT SELECT COMMITTEE ON FUTURE GAMING MARKETS IN TASMANIA MET IN COMMITTEE ROOM 2, PARLIAMENT HOUSE, HOBART ON TUESDAY, 14 FEBRUARY 2017.

Ms KYM GOODES, CHIEF EXECUTIVE OFFICER, AND Ms JO FLANAGAN, DEPUTY CHIEF EXECUTIVE OFFICER, TASCOS, WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED, AND DISCUSSION WITH PROFESSOR MIKE DAUBE, CURTIN UNIVERSITY, AND ASSOCIATE PROFESSOR SAMANTHA THOMAS, DEAKIN UNIVERSITY, VIA TELECONFERENCE.

CHAIR (Mr Gaffney) - Welcome, everyone. This hearing is protected by parliamentary privilege but all comments you make outside this hearing may not be afforded that privilege. The evidence is being recorded and the *Hansard* will be published on the committee website when it becomes available. If there is any evidence you would like to give in camera, that can be organised.

Ms GOODES - We believe this inquiry represents a unique opportunity to act decisively and in response to what is, in Tasmania, a pressing social problem. We welcome the Government's openness to listen to organisations such as TasCOSS and a range of other voices on this important issue.

We believe there have been wrongs in the past that we now have an opportunity to correct and address. As a community, we have let the debate suggest that some people have a problem with poker machines. We call them 'problem gamblers' but this is an inquiry to set the record straight and to be clear that the problem doesn't sit with people; the problem sits with the machines. We need to recognise that. Putting the focus back onto people who may have a problem with pokies is not an appropriate response.

In 1997, pokies went into Tasmanian pubs and there was no discussion or consultation with the community. We believe that this was wrong. The other wrong, which lies in the outcome - potentially - from this hearing and this Government response, lies in the events of 2002 when our Government gave away a public licence of an enormous value, for nothing, without a proper process. We considered that that was never right. The significant corporate contribution made to Tasmania by Federal Hotels does not correct the wrong that was done back in 2002. We think that wrong carries on down to today because it makes it seem so much harder now to redress what happened in the past and to change the status quo. We do believe in good governance and we believe that a proper process, and this inquiry is a chance to restore the public's confidence in the parliament and in the Tasmanian government in regard to gambling policy and a broader sense of good governance in terms of public policy in the best interests of Tasmanians first and foremost.

We would like to begin by making some broad overview comments. Initially, for those who may not know as little bit about TasCOSS, we are the peak body for the community services sector in Tasmania. We also represent the needs of low income and disadvantaged Tasmanians. We represent a large and diverse industry; the community sector is an industry in its own in Tasmania. There are around 430 non-government organisations that work across our state. There are a broad range of community services that our sector delivers from services for older people to financial and employment support, children, youth and family services and health promotion

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services, housing, legal, advocacy and information services, as well as social enterprises which bring a lot of income into the sector for expenditure back to the community.

Collectively, organisations in our sector employ around about 10 000 Tasmanian so when we sit before you representing our sector we do represent a large proportion of that 10 000 workforce and that is equivalent to around about 4 per cent of the total Tasmanian workforce. In fact the social and health services sector are the fastest growing sectors in the country and the largest employers in some parts of Tasmania including in Hobart. Our organisations spend around about \$480 million back into the Tasmanian community every year and around 95 per cent of the income that they receive is from a mix of philanthropic, public or commercial sources. Our boards of governance that run our organisations are professional and usually made up of a diverse group of people from the community and they operate strategically within planning and they have skills relevant to the missions and the values of the organisations that they govern.

This information is important for the committee to know in order to place our presentation in that context. That when we sit before you our concerns are not just based on a vague or moral philosophical objections to gambling but rather the practical business experience of running complex services that are focused on improving community health and wellbeing. Our submission is based on those needs and this evidence is grounded in the research that relates to the electronic gaming machines that I will let Sam and Mike flow into in a little bit more detail.

A/Prof. THOMAS - It is probably worth the committee noting that my areas of expertise are mainly in the impact of gambling on young people and young adults particularly around the role of gambling environments and the commercial tactics of the gambling industry in normalising these products for in particular young people in the community.

It is now very well recognised that gambling is a public health issue for Australia and it is really important to note that I have used the term 'gambling' and not 'problem gambling' and this is because it is important in any discussion about gambling harm prevention to recognise that the harms associated with gambling do not just occur for those who have extreme or pathological levels of gambling. The debate to date in Australia has focused on the prevalence figures associated with problem gambling, however as we now well know harm from gambling occurs even for those who screen as having relatively low or moderate risk level with gambling.

Focusing on prevalence rates of problem gambling have not always been helpful in understanding how to address the significant social harms associated with gambling in Australia and in particular with poker machines. Looking, for example, at statistics from the 2014 study of gambling and health in Victoria that study indicated that 36 per cent of those who played pokies in the 12 months prior to the survey experienced some form of harm. Importantly, not all of those were classified as problem gamblers, but fell into harm, including the low and moderate risk levels, as well as problem gambling.

It is also important to note that the Victorian prevalence survey 2014 found a reduction in the amount of people playing pokies, but there was an increase in the number of people who were low risk compared to no risk. There was also a change in the frequency with which those categorised as problem gamblers were playing the pokies, from around 56 times per year in 2009 up to 87 times per year in 2014. What is really important in our discussion is the depth of harm. For example, are the same people increasing their gambling and is that harm more widespread?

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I would also like to make a brief note about young people. We, as well as many others, are concerned at how young people may be exposed to poker machines within poker machine venues. This includes concerns about promotions and activities relating to family friendly activities that may bring children and families into these environments. The impact of gambling promotions and environments is my specialist area of expertise. In recent years public health researchers have raised concerns about the impact of the co-location of family friendly and gambling activities on the normalisation of gambling for children.

While our focus in Australia to date has been predominantly based on betting advertising and the impacts of that, particularly during sporting matches, we also need to consider other gambling venues and environments that children may visit.

I finally add - and this may lead to Mike and some of the really important things in terms of a public health approach to the problem - that a comprehensive public health approach is vital in reducing the harms associated with gambling. We should not be aiming for a harm minimisation strategy. This suggests that we find it acceptable that any form of harm is okay in Australia, when clearly it is not. Our goal must be in preventing the harm to ensure that we have a community in Tasmania and across Australia that is free from the harms associated with gambling.

Prof. DAUBE - I defer to Samantha as the gambling-specific expert, but I have had some involvement in research on gambling, particularly working with Associate Professor Thomas, but my concern is also very much from a public health perspective. I have been impressed by the compelling evidence on the harms of gambling to individuals, to communities and the harms that are disproportionate in relation to disadvantaged groups and areas.

Various forms of gambling have been around forever, but we now know much more about the harms, about what can be done, particularly, for example, in relation to issues such as access and specific products.

I did note with some surprise and concern that in a document, which was about the proposed government structural framework, one of the guiding principles related to the system should be - I think the phrase was something like - 'designed to create a sustainable industry'. From recollection that was the second guiding principle. My concern here is that surely it is not the role of government to be involved in designing a sustainable gambling industry. The guiding principle, in my view, should be first and foremost to protect the health and wellbeing of the community. I was a little surprised that that wasn't a primary theme.

I happen to be in Western Australia and here there is a longstanding bipartisan view on limitation of EGMs, poker machines and so on, and that they exist only in the Burswood Casino. That has been a bipartisan position since the 1970s when Sir Charles Court was premier, and historically of course there have been therefore lower levels of harm related to those machines. I might say the state has not notably suffered as a consequence.

There are a lot of lessons that can be learned from other areas. Of course they are all different, whether tobacco or alcohol or other harmful products, but there are some similarities. A recent McKinsey global report on another area, obesity, talked about the importance of not just waiting and waiting, but acting. They talked about logic based on parallel evidence from other areas. We do have some similarities and key principles we can learn from. First, that the health and wellbeing of communities should be paramount; second, the relevant industries will always want more. They will always claim that any curbs and constraints will lead to the sky falling in,

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but the sky never does fall in. You might remember, for example, when we banned tobacco advertising back in the 1980s, the industries claimed that sports would die and the sky would fall in, but it did not happen.

The next major principle should concern about any promotion, not so much targeted to children but to which children and young people are exposed. I echo the concerns from Samantha Thomas about normalisation of gambling. It is important to recognise that self-regulation in relation to these industries never works effectively. Finally, if there is to be education, that must come from governments and health authorities, not from the industries themselves. I support the concerns expressed to you by TasCOSS, especially the concerns about policy which is based on the public interest, not on designing a sustainable industry.

Ms GOODES - In closing and summing up, what we hear from independent experts from outside Tasmania, like Mike and Sam, is that we know there is no safe level of exposure to the high-intensity poker machines for anyone. We are particularly concerned about people who then live in more disadvantaged communities. The social and economic impact study has shown that people living in lower SES areas experience gambling problems at double the rate of the overall population. That is double the risk. Why? Because accessibility to poker machines is a key risk for developing an addiction to them, and the density of machines in those communities is so much more intense. Not only do those lower SES areas have a greater number of poker machines, they also have less chance of avoiding them. If I want to have a drink on a Friday night with my friends, it is more likely that I am going to go to a pub where there are no poker machines, but if I lived in a community such as Glenorchy or Brighton then that is not a likely opportunity for me.

There is a higher percentage of poker machine venues as a proportion of entertainment venues in lower SES areas. This means that families who are going out for entertainment into different venues in lower SES areas are much more likely to be exposed to gambling and to gaming through electronic gaming machines.

In our discussion today we have two key points that we want to make. One is how dangerous these high-intensity Australian poker machines are and how widespread the harm from them actually is, and that the development of any good public policy must follow best practice and it must follow evidence. Where there is clear evidence of a higher level of risk and harm to a community, then this public policy and good governance approach is even more important. That is why we have invited Professor Daube and Associate Professor Thomas to provide to the committee today an independent evidence base which is renowned nationally.

Mr BACON - You say in your submission when you talk about harm minimisation that you see the distribution of machines are decreasing the spin rate and reducing the bet limit on the machines is the effective handles to increase harm minimisation or prevention. Which of those do you think are the most important, and would you have an idea about what kind of spin rates and what kind of bet limits should be in place post-2023 in Tasmania?

Ms FLANAGAN - Could you point me towards where we said that, Scott?

Mr BACON - The fourth page under harm minimisation.

Ms FLANAGAN - I think the social and economic impact studies have shown the only things slightly affected by harm minimisation measures are the ones that have put restraints on the amount of money that people can put in machines. The SEIS has also said that most of those

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harm minimisation measures were not that effective and the gamblers, themselves, said that the one that they thought would be effective was the removal of the machines.

A key point we were trying to make in our submission was that, overall, the harm minimisation measures have not affected the overall expenditure on pokies. Industry has consistently resisted any of the harm minimisation suggestions that would have impacted on expenditure on pokies. The Productivity Commission says the only real measure of harm minimisation is when we see a drop in the expenditure on pokies.

Mr BACON - Do you think decreasing the spin rates or having, say, a \$1 bet limit would decrease the spending on poker machines?

Ms FLANAGAN - Possibly minimally, possibly for a time. I refer you to the table in the Community Voice submission that looked at the interventions of different harm minimisation methods against the expenditure on pokies. We forwarded it along to submit it again as evidence because it does, I think, put the harm minimisation argument in perspective. Really, it is only tinkering at the edges. The greatest risk with these machines is their accessibility and their concentration in these communities.

Mr BACON - Really, from your point of view, the only way to make a difference is to remove them completely from pubs and clubs. Community Voice was here last week talking about removing them from the casinos as well. Is that something you would like to see or do you think the removal from pubs and clubs is what is needed?

Ms GOODES - In terms of harm minimisation we would have to say, as both Sam and Mike have pointed out this morning, at what point do we accept that any harm is okay? As Jo is saying, tinkering around the edges in terms of spin rates or bet limits is only acknowledging there will still be harm, how we could reduce that harm. Our position is very much that while ever-lower SES communities have pokies on their doorstep, in their pubs, then the harm will still be there.

Mr BACON - From that do you mean they should be removed only from low socio-economic areas?

Ms GOODES - Across the community of Tasmania where we can see that outside of a casino environment people have access to those machines. We would consider the harm is greatly accentuated as a result of pubs and clubs and on the next generation of children who visit those venues with their families. It is not for using those machines, but they are in that environment. Sam can definitely talk about what impact that is having on children in terms of not being able to be free to go to a local pub and have a meal with a family without the exposure to at least the sounds and noises of those machines.

A/Prof. THOMAS - We have been doing some research in our centre led by Annie Bestman, with Melanie Randle at the University of Wollongong, and with Professor Daube, in which we have talked to young people and quite younger children about what they hear and see when they go to a poker machine venue. That research was based in New South Wales.

There were a number of findings I am happy to send you a summary after this meeting. One of the things that is really clear to us is that while there have been some attempts to protect young people from being exposed to these machines - for example, in some states children are not

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allowed to enter the gaming area of the club - a number of children still do have secondary or incidental exposure to these machines.

That is predominantly in the form of auditory exposure to machines. Children will often talk about hearing the noises from poker machines and will have an understanding of poker machines. They may have family members who play poker machines, but while they are in the club we know children hear the noises from the machines and sometimes they catch glimpses of the machines through frosted glass windows.

What has been very interesting about that is, as you will all know, I don't know I have ever heard a poker machine play a negative sound. They generally play positive sounds or no sounds at all. What that does for young people is creates with them, we have seen in our research, a perception you can win on machines and people do win on machines.

One of the things we think is very important is, firstly, to start to really think about the ethical tension we have on the one hand promoting these venues as being family-friendly - and we know there are many different marketing strategies used to encourage families into pubs and clubs. That may include family meals, cheap meals - and that is a classic marketing tactic to bring people in to the clubs. There may be holiday programs in clubs, a whole range of different tactics.

At the same time under the same roof we have these machines, which we think are potentially very harmful for communities. We believe this is a very important consideration when we are thinking about the regulation of machines and the environments in which they are placed within our community.

CHAIR - Samantha, you mentioned a document you could forward to us. If you could forward that through to Kym as head of TasCOSS, she could provide that with the other document as additional information for us.

Mr BACON - We heard evidence last week that Australia has the slowest spin rates in the world. Do you have any comments to make on that?

A/Prof. THOMAS - That is not my speciality area but I can take that as a question on notice and provide you with that information.

Mr BACON - You also talk about the Community Support Levy and that 4 per cent is not an appropriate level to set that at. What would you think would be an appropriate level?

A/Prof. THOMAS - We would like to see the community support levy reviewed. Rather than us coming up with a level that is not based on any deeper analysis, we believe it is timely for the community support levy to undergo a review, so that we can have a look at the expenditure being focused on and what would be an appropriate level relative to where the industry is today.

Mr BACON - The levy is one thing, but then the distribution of that levy - do you think there are ways that could be approved? Do you have any suggestions?

A/Prof. THOMAS - We do. That would be part of a broader review. We support expenditure into small communities and there have been some very worthy projects and submissions put forward for that levy. Equally, if we really want to be targeted around supporting people who are most impacted by the harms of gambling, and particularly electronic gaming

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machines, we believe it is time to do a comprehensive review of the Community Support Levy, and relevant to other community grants that are now available for communities.

Ms FLANAGAN - The community support levy was included under the terms of reference as a harm minimisation measure, and it clearly is not. It is a compensation fund to the community. It was set up by the Parliament as such to address the losses to the community that would come from the extension of electronic gaming machines into the community. I was concerned to hear the suggestion made to you the other day that it should be branded as almost a gift from the gambling providers to the community in the hope that might generate more gambling activity and increase the community support level. It was always intended to be compensation to communities for acknowledging the loss that would be seen out of community fundraising initiatives and out of the pockets of the community.

CHAIR - Has TasCOSS considered or researched the likely impacts on their communities say, for example, if gaming in pubs and clubs ceased? In saying that I refer to the viability of these venues, the reduction of jobs, the flow-on effects to suppliers and supporting businesses? I am not suggesting that the idea should not be investigated because of these concerns, but I just wondered what factors or impacts you identify as a downside to returning EGMs to perhaps the casino environment only? I am not making any judgment, I just want to know what impacts you might see if we go down that path?

Ms GOODES - We haven't done any detailed economic modelling around that. Equally, while we acknowledge that there would be job losses potentially in pubs or clubs, we would reasonably consider those losses would be offset by that income that is currently going into those poker machines. If you regenerate those dollars, millions of dollars, in fact, back into those communities you would expect to see a flow-on effect to other economic growth to other businesses within those communities.

We would really welcome some economic modelling around that, because if you were to redistribute the dollars currently, for example, from the Glenorchy community back into other businesses in that community you may, in fact, see an increase in jobs. Mike, I don't know whether you have any comments in terms of the Western Australia experience. The lack of pokies in pubs over there have not seen job losses or those pubs have to close. It is not a fact that in WA without pokies in pubs their pubs aren't viable, because they are very viable businesses.

Prof. DAUBE - Clearly since their haven't been pokies in clubs we cannot tell you what happens when pokies are removed. But there has certainly been pubs and hotels in WA over that time and many of them have done very well. I am sure they would love to have poker machines, but it has been a bipartisan position that they should not have them. I think there is the need for caution here when we hear that if you remove poker machines from pubs that the pubs are going to close, and it is going to be the end of the world and the sky is going to fall in.

There are a host of other factors that are currently impacting on hotels. The reality is these days there has been quite a dramatic change and people are buying much more of their alcohol from the large bottle shops, the 'booze barns' and so on. We have to be very careful that we don't attribute problems hotels are having because of the transfer to bottle shops to any change that might occur in terms of gaming machines, of poker machines. I support Kym's view that an economic analysis would be appropriate, and that the prime factor there should be the impact on the individuals and communities, rather than the impact on the level of profits from hotels.

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Ms GOODES - In Tasmania we have had a history across a range of industries where industries evolve over time and forestry, and even the current debate in the aquaculture industry. These are really important examples that we cannot shy away from what is good public policy and what is in the best interests of the whole of Tasmania for fear of just job losses. We consider employment to be one of the most important and critical issues to this state and we would not shy away from that. Equally we cannot use that as our only tool of decision making. The needs of this industry have to be weighed up like any other industry in terms of what are both the social and the economic impacts for a community.

As Mike is saying, it is an easy path to go down to say the pubs will close and we will see job losses. I would argue that even if that was the case there are ways that you can support any industry as it needs to transition into, and evolve into, a new way of operating because the world around us is changing. We heard the same argument from newsagents when plain packaging for cigarettes came in - that without them behind the counter, it would detract from the number of people walking through the door. We know that that just is not the case.

Ms FLANAGAN - Our expertise is families on low incomes. We know from the household expenditure surveys that are done by the Australian Bureau of Statistics that low income families, it is commonsense, obviously do not have spare money to spend. They do not have savings, they spend every penny that they have. If they are not spending them on pokies, they spend it on something else and they spend in their local area. The Productivity Commission talks in its report about how the net effect of gaming is questionable because what is spent on gaming will be spent on something else. If you look at expenditure on other industries, like food or even the purchase of alcohol, it generates more jobs than a pokies room does.

CHAIR - That was clearly pointed out to us by Dr James Boyce last week.

Ms RATTRAY - Following on from that, it has been suggested that if there are no gaming machines in clubs and pubs, that those people who like to gamble might support the racing industry again and that would help generate some employment. Do you have a view on that? Do you think people will gamble on something else?

Ms FLANAGAN - The social and economic impact studies are saying that they won't. I think that is consistent with national research. Would you like to talk about that, Sam?

A/Prof. THOMAS - Yes, that is my understanding although we have seen some evidence and some research that we have done in young men that maybe worth discussing at this point in time. We have done a lot of research with young men around their betting behaviours. Certainly we do see that some young men who bet in environments where there are other forms of gambling will engage in multiple forms of gambling in that environment. For example, a study that we have recently done with young men, predominantly in New South Wales, has shown that if they go to a local pub, for example, to bet then some of those young men will also gamble on the pokies in those environments. I would agree that there is no clear evidence that I have seen that we would see a transition from one product to another.

Ms RATTRAY - The racing industry cannot expect a lift? That has been suggested so I am wondering. A bit of a problem in Tasmania is the racing industry at the moment.

Ms COURTNEY - I note your comments in your submission around the SEIS in terms of getting stakeholder input into the methodology. In evidence that we received last week, people

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suggested that five years is perhaps not long enough. There is a lot of praise we had last week for the data that we have. It is from a longitudinal point of view. I notice that you do note that. Could you please let me know what you think would be an appropriate timing and whether you have any comments based on the evidence put forward last week that five years is a bit too soon to be able to implement and gauge changes that are made.

Ms FLANAGAN - I think it is three years. The suggestion that has been coming up is perhaps five. We have had discussions about this at the Community Voice meetings. The view there is it would be acceptable to see it go to five but on certain conditions. There is concern that the social and economic impact studies have not been valued or used enough. If you look at the history of them, there was an enormous amount of agitation when we needed to get to the first one, even though it was legislated that they would happen. We did not get one until the Betfair licence was on the table. It feels they are a fragile beast. We have to protect them. To allow them to go to five presents a risk that they will slide off the table again. We have to protect the longitudinal study. We want to see them used so we would like to see reports on the social and economic impact study developed by the Gaming Commission presented to Parliament so some evidence of how this data is being used and how it is being provided.

Ms GOODES - The translation of the outcomes of those reports to actions in policy is really critical. At the moment the reports are produced; they are valued, but there is no direct translation between the findings of those reports and any changes in public policy.

Ms FLANAGAN - It is not to say that there are not concerns about some of the methodological issues, like the problem gambling numbers are taken from a random phone survey. People are rung and put through the screening. It is a bit like, 'Do you have problems with this and that?' The people who have problems with gambling tell us that the level of shame is similar to being a victim of sexual assault. The likelihood of disclosing amongst a cohort of people, that we know take one, two and sometimes up to 10 years to talk to service providers about the problem they have. It is unlikely. There is a whole lot of issues that we need to tackle with it but we think that involving a range of stakeholders in the development of it would certainly assist with that.

Mr ARMSTRONG - We heard last week that the electronic gaming machine market is not growing; it is declining. If we took these out of hotels and clubs, we are being told that then, where it is regulated, there will be more online gaming where you put your credit card in the machines and there is virtually no controls on how much you spend or whatever you do. Do you think that would foster more online gambling, if you took these machines out of clubs and hotels?

Ms GOODES - Our understanding is that there is no evidence of that.

Mr ARMSTRONG - Where do you get that understanding from? Last week they told us that the online gambling is growing.

A/Prof. THOMAS - This is a point that comes up quite consistently. It is raised by the industry. I certainly have not seen any evidence to show that if poker machines were restricted in the community that people would transfer to online platforms. There are certainly specific types of population groups that use poker machines. For example, we think of older women. I have not seen any evidence to suggest that if older women did not play poker machines that they would suddenly bet online or engage in online gambling.

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We know also that for young men, for example, young men and kids - and we do a lot of research in this area around the normalisation of betting and betting products for young people. We certainly know that for the next generation of kids coming through, that they are highly exposed to marketing and promotions for online betting companies primarily during sport. We know that 75 per cent of children now think that gambling is a normal or common part of sport. That is certainly a concern for us. They can also name gambling bookmaker brands and are able to tell us the specific deals and promotions that they see when they are sitting down on a Saturday afternoon to watch their favourite footy team play.

There is no suggestion or evidence that I have seen that would show that people who currently play poker machines would transition to another form of gambling. I would urge you to seek the evidence on that to see if there are any conclusive studies that are independent of the gambling industry that are able to show that.

Ms DAWKINS - What would a potential post-2023 rollback of poker machines in pubs and clubs look like to you? Would a five-year period, for example - that seems to be how often poker machines are replaced. We could have the sort of sinking-lid policy where as they need to be replaced, they are removed. Would that be something that you would advocate for?

Ms GOODES - We would absolutely be supportive of a model of transition. Again, I think we would need to look at some deeper modelling around what the impacts might be in particular communities and particular areas. Would we need to prioritise or would we use the expiry of licences as a way of supporting those pubs and clubs to gradually transition out? We have seen this happen in other industries. There have been - it is not, as Mike says - the sky would not fall if we were to support the removal of those poker machines from pubs and clubs across Tasmania. There are enough people, I think, around this table and with a high level of expertise both from that industry and from a range of different economic areas that could sit down and work out what a transition would need to look like.

Ms DAWKINS - We hear, often, that there is a skills and staff shortage in the hospitality industry in Tasmania, so this seems to be one of those industries that actually does align. When we heard about that in forestry it is obviously very difficult to see how that could be a transition, but this is an opportunity that I think is going begging.

Ms GOODES - That's where I think the argument around jobs is a difficult one to make. Our hospitality and tourism industries are crying out for a skilled workforce, so we are faced with a range of people who are well trained and already working in pubs who could absolutely transition into other roles. Equally those pubs and clubs across Tasmania, as we have seen in other parts of the country, have niche areas that they can open up into. We have seen an emergence of boutique products, whether it is cider or other areas, so there are ways that industries and small businesses can transition. We're not unsympathetic to the fact that that would have an impact but that doesn't mean it isn't an important decision for a government to make.

A/Prof. THOMAS - I really support the view that we ultimately need to be aiming to get poker machines out of the community, but if they are in the community there needs to be very, very substantial regulations about the way in which they are offered within the community. I come back to your point about spin rates. Even if it is proved true that Australia has the lowest spin rate in the world, our poker machines are still causing significant amounts of harm to some of our most vulnerable populations in the community and I think we should be thinking about that and how we prevent that harm. There are things we know we can do to minimise and ultimately

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prevent the harm associated with these machines and making sure these machines are not normalised to the next generation of young people who may use clubs in our communities.

CHAIR - Kym, I am being the devil's advocate here, but I know that you represent 10 000, which is fine, but of those 10 000 there are probably a few thousand who go to pubs and clubs or the casino and gamble responsibly within their means and have an enjoyable occasion. They would say why are we taking away something that a lot of people get enjoyment out of and a lot of people get contact from. We heard a story from a grandmother whose husband passed away and the only contact she had socially was when she used to take her \$10 down to the pub, play the machines responsibly, have a meal and talk to people. When she passed away quite a few of the people from that pub came to her funeral, so for her it was a connecting place. How do you weigh up the people who gamble responsibly on poker machines and don't have an issue with it compared to what you are suggesting, that we take them out of pubs and clubs per se?

Ms GOODES - That is the population health perspective. There is a range of areas within our community that people use their own decision-making to access. There is a debate around some of those areas, including things like a sugar tax, for example. At what point do you acknowledge that the harm is so great for some parts of the community that it outweighs what you are describing? On that I would say a couple of things. It is undisputed that Australian poker machines are rigged to win and despite evidence you heard from last week, I think there are very few people who don't walk up to a poker machine with some expectation that they may win money. There are a range of other social activities people can participate in that aren't in the form of gambling or betting. The reason they sit in front of a poker machine rather than a movie is because at some level there is an expectation they may win some money, and that is where the harm kicks in.

The other thing I would say is it's a pretty sad indication of a community if the only way you can find to socialise and build your friendship group as an older person who has experienced the death of a spouse is through a gaming lounge. I think as Tasmanians we need to do better than that regardless of low or high socioeconomic communities so people can experience social inclusion in a way that has no harm attached to it whatsoever and does not involve pumping large amounts of your own income into a machine. I would never shy away from the argument that, as a community, we should provide all our citizens with the ability to socialise, to get out of the home, and to have that level of relationships without the need to gamble to achieve that.

CHAIR - I am playing devil's advocate again here because we need this sort of information for the record and to reflect on later as a committee. In Western Australia the pub scene is very strong, providing family-friendly venues for music and occasions, and the premise is that there is alcohol within the venue so you are inviting families to come to a venue so mum and dad can have some drinks with friends. I am not going to ask you which ill is the worst in our society but there would be some asking why you are promoting that we have people going into pubs and clubs for drinking and entertainment but not for another social ill such as gaming?

Ms FLANAGAN - The best parallel is with tobacco, because we know with these high-intensity machines now that there is no safe level of exposure to them in the same way that there is no safe level of exposure to tobacco. Everybody has some elderly relative on their family tree who is 95 and has smoked a pack a day who is fine, but they are the anomaly. We know from the evidence about the significant harm tobacco does, and now we know it about machine machines as well. One of the things we are keen for the community to understand is that these machines are different to machines in other parts of the world. Australia has the highest concentration of them

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of any country in the world. We have five times the level of exposure to poker machines than America, the spin rate is vastly greater than they have in Japan or England, so the presence in our community and the normalisation of these dangerous machines is quite different here to anywhere else. When we say it is a shame somebody has to go to gaming machines it's because from our perspective we are saying it's a shame someone in our community is being exposed to something so dangerous.

CHAIR - Mike, we have had some information from other jurisdictions that are looking at this committee inquiry, whether it is New South Wales or the Australian Association of Social Workers. How do you think other people in other areas are looking at this committee inquiry? We know the WA model, we know what is happening in the ACT, so do you have any general comment about other jurisdictions and the impact of work that happens in other states and territories?

Prof. DAUBE - I want to preface this by thanking you for the opportunity to speak with you today and confirm that I support the approach TasCOSS is taking. This is an area we are all now having to deal with as the evidence gets stronger and stronger on the harms. There is now such clear evidence that the harms are greater than we had thought and apply not just to those who gamble but to their families and others in the community. Policy is being developed both around the jurisdictions and nationally and I know we are seeing more and more concerns about this area. As a previous witness has mentioned, we are seeing concerns about online gambling as well. That is an additional concern and I would hope this committee will, in passing, be able to make some recommendations about the need for curbs and independent regulatory controls on the promotion of online gambling. There is a great deal of interest around the nation as every new inquiry develops and what you recommend will attract a lot of interest. I hope you are able to take an approach that helps to lead national policy on this but recognises the very considerable harms, that recognises that action can be taken and that recognises, and I know this has been referred to a few times already, that if action is taken in a sensible, measured way the sky does not fall in and there are substantial benefits for the community.

Kym talked about tobacco. I declare an interest there because I chaired the federal government committee that recommended plain packaging. We were told that it was not possible, the sky would fall in, all kinds of other things. It happened and it has been effective and it is reducing smoking and it will reduce the harms that are caused by smoking. Different issues, different approaches, but I think an enormous opportunity to make some very positive recommendations. We will all be watching that with interest. Finally, I can assure you that although we do not have poker machines in our pubs here we are thriving and if you want evidence of that I am delighted to be able to remind you that the Western Australian cricket team thumped the Tasmanians a few days ago.

Ms RATTRAY - Mike, I wrote down that you said that the Western Australian model with only gaming machines in the casino provided no issue and no suffering. Is that clearly what you meant? You do not have any issues with problem gambling?

Prof. DAUBE - No, sorry. What I was talking about was that that had not adversely affected other industries. There are, of course, concerns about impacts of the poker machines and other forms of gambling in the casino but they are limited of course in terms of poker machines to what occurs in the casino.

Ms RATTRAY - There are gambling issues in WA?

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Prof. DAUBE - Inevitably, yes. We have a casino and we have poker machines in the casino. We have online gambling and so on but we do not have the harms that come from EGMs in pubs and clubs that we have seen so well reported in the recent major report, for example, to the Victorian Responsible Gambling Foundation.

Ms GOODES - In summary, TasCOSS is advocating strongly for a public health approach to the harm of poker machines. We need a research-based approach and we need to make sure that decision making is based on research and not just the voice of, for example, our sector but also the voice of industry but it is strongly underpinned by the research that is available.

We need to understand the magnitude of the social and the health harms related to poker machine use and we need appropriate responses to them. We need a response from our Government that brings maximum benefit to the community as a whole and we also think that needs to recognise the needs of individuals. We want to see the number of poker machines limited and their intensity limited and, ideally, we want to see those machines out of pubs and clubs in Tasmania. We want to protect the most vulnerable communities from being targeted and we want a curb on all forms of the promotion of poker machines, regardless of where they are. We want support for those who are experiencing gambling harm and our final message is that these machines are dangerous and we want good public policy that works for the community's health and wellbeing.

CHAIR - Thank you all.

THE WITNESSES WITHDREW.

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Ms SARAH JANE CHARLTON, CHIEF EXECUTIVE OFFICER, AND **Ms JANINE O'NEILL**, SENIOR COUNSELLOR IN ALCOHOL, DRUGS AND OTHER ADDICTIVE BEHAVIOURS, HOLYOAKE TASMANIA INC., WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED.

CHAIR - Welcome. The evidence you are presenting attracts parliamentary privilege but once you step outside, it does not. The evidence you are about to give will be recorded by *Hansard* and will be put up on our website when it becomes available. If there were anything you would like to discuss in camera, that would be fine.

Ms CHARLTON - Holyoake has some experience working with people with addictions. We've been doing that for the last 29 years, primarily with drug and alcohol. We sell ourselves as experts in that area, but we work with people with addictions of all types, which include gambling, porn, and the Internet. We have highly specialised staff, very skilled and tertiary trained with extensive experience in addictive behaviours. We consider ourselves fairly expert in the field we work in.

I am going to be talking about pokies. I am not interested in the rest of the gambling stuff. That is the area where we see the real problem is - poker machines. For most problem gamblers or their families, the issue is poker machines. The machines, we find, are highly accessible. They are available widely in the community, inside and outside casinos, but the majority of the clients we see - I would say 85 per cent, which matches with the statistics from the Tasmanian Gambling Commission - probably 85 per cent of problem gamblers access poker machines in smaller clubs and pubs.

Often they go to lots of different ones to try and retain a type of anonymity, so they are not seen at the same place every day. For us, the way we look at gambling - it is possibly a little bit different from the ways you might, we see it as the same process of addiction you have when you drink excessive amounts of alcohol repeatedly, or you use cannabis or speed or ice or whatever. It is that same kind of reason problem gamblers - and I am only talking about problem gamblers, so I am only talking about 8000 to 10 000 people in Tasmania, I am not talking about people who go out and have a flutter every birthday - for those people that have a serious addiction, that same dopamine release they get from the thrill of the machine is very similar to the dopamine release they get from certain drugs.

They do it for a high, problem gamblers. I am not generalising all people who gamble. People who have problematic gambling do it for that same high. It is that buzz you get when you have great sex or when you have a really good laugh, or you have just smoked a joint. It is that 'phwoar' and that is what they get. It is that same thrill. We see a lot of clients, especially a lot of clients using ice, who gamble because they - well, they do not get the same buzz they get when they are using ice, because nothing is like ice, but it's the speed, the fun, the thrill.

They do not do it for entertainment, as has been said by some of the other people you have been interviewing. It is a very serious problem - it is like a physical addiction. There is research that shows that high-end gambling for a problem gambler gives them that same buzz, the same dopamine buzz. I do not know if you have had anyone say that to you. You have? Good. That is a really important part of what we see.

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We are not talking about people who have a little flutter. We are talking about people whose lives are ruined because they are so addicted to this buzz, they lie to their partner about how much money they are spending, and they sell things. We had a guy recently, who sold precious things from the family his partner did not know about, then he sold the house and she did not know about it. Stuff like that, serious stuff that ruins - Janine can tell you that side of things.

That is where we are coming from, the really pointy end. It is only about 8000 to 10 000 people who have a serious problem, but they spend, as you well know, \$90 million. Money that they cannot afford, and the Government makes \$50 million from those people. I find that ethically disgusting, personally, when we see the fallout, the destruction to families, children not being able to afford a school uniform, food, basic stuff like that where mum or dad - I am not discriminating; men and women gamble - but that is what we will see.

Ms O'NEILL - There has been a slight emergence of more problematic gambling for women, particularly a middle-aged cohort. I don't know if there is any correlation there about changes in role, but certainly it is almost seen as a soft thing; it's okay to go into a pub or a club or the casino. It's a relatively safe thing for a lot of women to do, so that certainly is an interesting aspect of our work. In that regard, one of the things we have started to track is the number of people using ice who talk about gambling as a secondary addiction. When you look at that in terms of the lower socioeconomic areas and the impact of not only the behaviour and the drug use compounded by losing whatever money they have, it's pretty dramatic out there. From reading some of the evidence here I was very interested in the comment 'It's like going to the movies'. It is nowhere near like going to the movies.

Ms CHARLTON - I was interested in that too - that it's entertainment.

Ms O'NEILL - It's not. It goes way beyond that for some people and it has a ripple effect, so not only the people themselves are embroiled in it but also family and friends.

Ms CHARLTON - Research says it's up to 10 people, which is similar for someone who has a serious drug or alcohol issue. Five to 10 people in their lives are worried sick about that person or are affected by that person or are giving money to that person, but it affects children and parents. We have had parents who have mortgaged their houses for their grown-up children who have terrible drug debts or gambling debts.

Ms RATTRAY - Thanks, Sarah and Janine. In relation to people having more than one addiction and poker machines being a part of that, how do you see the committee grappling with the fact that there is this small number - and we know any number is too many as such - in our community who have this problem and then we have other people who use those pubs and clubs for social engagement and the like? How do we as a committee balance that up between getting rid of gaming machines out of pubs and clubs and what happens then? If that was the recommendation of the committee and the Government were of a mind to support that, how do we balance that up, because I am struggling with this?

Ms CHARLTON - There must be a million things you can offer rather than a gambling machine.

Ms RATTRAY - Thank you, I am happy to hear that.

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Ms CHARLTON - A gambling machine, a poker machine, isn't a social interaction; it's a one-on-one thing. It is a solitary action. People don't sit there and have cups of tea and talk about politics and world stuff. They are focused on a machine. It is not a social activity.

Ms O'NEILL - I think we've got to get away from the idea that it IS entertainment because it's entertainment that absolutely has barbs in it that capture people. Anyone of us could fall into gambling, that's how easy it is - the 'hypnotic-ness', being removed from problems. I think we seriously have to look at lower socioeconomic areas, places like Glenorchy and that, with the amount of poker machines. I do front-end work with clients and have seen the damage that these entertainment machines do.

Ms RATTRAY - So we reduce them?

Ms O'NEILL - I really think the casino should be the only place because it makes it harder to get to for some people with no licence or car. I still think we need to look at that area in itself, let alone the pubs and clubs, and now it has become the lifeblood and when you look at where a lot of these poker machines are concentrated, they are in the lower socioeconomic areas. It is compounding a lot of the barriers people are already facing.

Ms CHARLTON - When you talk about what you can do instead of poker machines, where do I start? What about Space Invaders or other gaming machines that don't sit there and milk people's money? That is what these machines do. They don't pay big money, they make money. The Federal Group is making bucketloads of money out of poor people. That's what's happening and it's disgusting. There have to be a million other ways we can offer people social entertainment. Bring back dances.

Ms RATTRAY - But is a drug-addicted person going to go to a dance? I am just trying to work out how we balance this.

Ms CHARLTON - What do you mean?

Ms RATTRAY - You just said they often have a drug or alcohol addiction and a gambling addiction.

Ms CHARLTON - Not always.

Ms RATTRAY - I think it's 30-40 per cent.

Ms CHARLTON - Yes, it is.

Ms RATTRAY - I am trying to work out how we deal with these people with these strong addictions.

Ms O'NEILL - What we have to be able to do, using Glenorchy as an example -

Ms RATTRAY - I try not to.

Ms CHARLTON - I'm just using it to put forward a scenario to prove it.

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Ms O'NEILL - We use it because that's what we've seen. I work out at Bridgewater and I've seen the destruction. I've seen people not have food and being at risk of losing their housing because their partner is able to go to the local pub.

Ms CHARLTON - Sorry, but you said something that really annoyed me just then. You said 'these drug-addicted people'. That's a very judgmental way of speaking about people who have drug issues. Anyone around this table could have an alcohol issue or another issue. It is people at all levels of society. 'These people' aren't just people in hoodies, they're anyone.

Ms RATTRAY - I apologise if that's the way it came across.

Ms CHARLTON - 'Would those people go to dances?' is what you said.

Ms RATTRAY - The people you have described as having more than one addiction, would they -

Ms CHARLTON - They may be politicians, doctors, lawyers or firemen.

CHAIR - I believe the member was trying to say would people naturally go from a gaming machine to a dance if that was on offer, if there were no gaming machines.

Ms CHARLTON - I was just flippantly saying a dance. What about horse-riding? To say there is no other option other than a gaming machine, goodness me! That's not my role.

Ms RATTRAY - The committee is looking for information. Can I take you to your submission where you talk about imposing a maximum of a \$1 bet limit? I suggested last week in hearings that perhaps doing that might leave people longer at venues. Do you have a view on that? Would it leave people longer at a venue if there were more opportunities?

Ms CHARLTON - Quite possibly, if it was lower and took longer to lose it. When we are talking about the pointy end, people will stay there until they have nothing left and even then they may look at doing some things to get money to put back in the machines. Look at some of the burglaries and things that are happening in a lot of concentrated areas. I get what you're saying but if we are talking about harm minimisation we have to do something because what we are currently doing is not working. Gambling is not seen as work for drug and alcohol workers and yet, given it has the same sort of addictive qualities, I can't understand why drug and alcohol agencies aren't funded to deliver that. It is very piecemeal. There is a very tiny bucket of money that is given back for problematic gamblers.

Mr BACON - How much of your funding comes from that for gaming?

Ms CHARLTON - None.

Mr BACON - So you get no funding for that?

Ms CHARLTON - No.

Mr BACON - What percentage of the work you do would involve problem gamblers?

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Ms CHARLTON - Maybe up to 20 per cent, but they wouldn't be people who come to us primarily for a gambling issue, but that might be discovered down the way a bit. They might come with an alcohol issue or a different issue and then, 'By the way, I do.'

Ms O'NEILL - There's a lot of shame and stigma again, so a lot of people do hide that there is an issue with gambling. We certainly are making more of an effort now to inquire about that, because we can do both together in that sense.

Mr BACON - So treat the person holistically?

Ms CHARLTON - Definitely. As I mentioned earlier we're finding, and Janine has discovered this - is this going on the public record what I'm saying now?

CHAIR - Yes.

Ms CHARLTON - There is a cohort of our clients who use ice and about 90 per cent of those clients are also discovering that it is really great to go and gamble 'when I'm up here', because it is just so much more fun, with the machines. We're starting to see a link there. Maybe in a year or so we'll be able to actually provide some meaningful statistics, but there is definitely something emerging there.

Ms COURTNEY - You talked about the high that gamblers are seeking and about some alternative highs that are parallels and similar. If we make gaming on gaming machines illegal, how much of a risk is it that people will substitute the high they get from a gaming machine with a high from another activity?

Ms CHARLTON - I don't know the answer to that.

Ms O'NEILL - I think it would probably be high, particularly when you look at the proliferation of mobile phones and mobile phone gaming. I think in some senses we may actually move the problem somewhere else.

Ms COURTNEY - Do you think there is a high risk because at the moment there is a quite - depending on opinion - a fair degree of protection for people within a facility? As with responsible service of alcohol there are signs, there are things about what you can do to make sure that you can seek help. If we have a cohort of people who are possibly more vulnerable and possibly under the influence of other substances, moving them to a situation where they don't have any other protection around them, are we maybe shifting the problem underground or into a black market?

Ms O'NEILL - That is the million-dollar question.

Ms CHARLTON - I suppose there is a potential for that. I am not familiar enough with how much money people can lose on the net. I am not familiar with that. I hear what you are saying. I suppose it is like people who have an addictive personality who are escaping from some shit in their life somewhere, are always going to find something, unless you can get into their heads and sort them out. They are always going to look for something that makes them feel better.

Ms COURTNEY - There is a predisposition, you feel, for people to seek -

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Ms O'NEILL - We live in a culture where not only alcohol is celebrated, but so is gambling. We encourage - a whole nation stops for a horse race, for goodness sake.

Ms CHARLTON - It is a bit like alcohol. The Government makes a bucket load of money out of it and it is seen as being acceptable, whereas it is not acceptable to smoke pot. If we can somehow change the culture and make a statement to say 'actually the government does recognise that it is not that groovy', maybe we could start giving a message that gambling isn't as socially acceptable as it currently is.

Ms COURTNEY - You mentioned the isolation of poker machines to casinos and you said they would be harder to get to, and I don't want to verbal you, but the words were 'for people who maybe don't have licences'. Are we therefore inadvertently victimising people who don't have the economic means to be able to go and enjoy a form of gambling should they want to? Are we saying that it is okay for a wealthy person with a car licence to be able to go and use gaming machines for entertainment but therefore are we saying to people who don't have the economic means to get to the casino, 'well we have decided on your behalf as a government that you don't have the right to make those decisions for yourselves'? I like to have policy that is fair.

Ms O'NEILL - Prior to the introduction of gambling machines when they were at the casino only, people were creative, they could get there if they wanted to. What we are talking about is when you have it virtually on your doorstep, the choice becomes a lot easier to go because there is no hurdle getting there. So if people have to catch two buses, for example, maybe they will rethink whether or not it is the appropriate thing for them.

Ms CHARLTON - It is like having bottle shops on every corner. You might think, 'I wouldn't mind a six pack tonight. Oh no, it's too hard; it's too far away. I won't bother'. It is a bit like that. It is about accessibility. If you make something accessible, you have that message to people and that reminder, 'Oh there are pokies, so I might go in.'

CHAIR - If the beer is not in the fridge, you won't drink it.

Ms CHARLTON - Yes, that is right.

CHAIR - If it is not there, you don't go searching for it but if it is there you might drink it.

Ms O'NEILL - Another thing too is a lot of these hotels and clubs have put in things like children's playgrounds. It really smacks that they have dressed it up as this family outing. Yet it is not. It can have destructive consequences. Everybody is at risk of hooking into it at some point or another, depending what is happening in their lives.

Ms DAWKINS - So far, you are the people who are closest to the problem gamblers out of everyone who submitted so it is has been very interesting. Can I talk to you about moderate-risk gamblers? Do you see moderate-risk gamblers slide in and out of the continuum of problem or when someone gets to be a problem gambler, are they there forever?

Ms CHARLTON - Some might be.

Ms O'NEILL - People can recover but it takes a lot of work. What we are talking about quite often is quite entrenched behaviours. It's very easy when something goes wrong in your life

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to lapse back into those behaviours. I think we need to treat it very much as a social thing. I am trying to think in terms of addiction.

Ms CHARLTON - It is not a disease.

Ms O'NEILL - It is none of that sort of stuff. People may fool themselves that they might be able to manage it because, again, people often under-report. They will minimise what is happening. It can take quite a while to uncover. Then you have the results of the lies and whatever else may have happened. In the question of that, I don't know.

Ms DAWKINS - If you get to a point in a series of counselling sessions, where you feel that somebody has recovered, do they continue to come to you? Would you say, 'Look, I want to see you for another year, every two months' or something, just to be sure, or what happens?

Ms CHARLTON - It varies.

Ms O'NEILL - The door is always left open. They know that they can contact us. Certainly we know relapse is common and we know that relapse happens.

Ms CHARLTON - And we don't judge it.

Ms O'NEILL - It is about creating a safe environment for people to be able to come and say what is going on. Again, you do have a lot of minimisation of it, initially.

Ms DAWKINS - Do people in those sessions say to you, 'I just wish I wasn't here'?

Ms O'NEILL - Yes.

Ms DAWKINS - Is that part of it?

Ms O'NEILL - Suicide ideation in gambling is really high, particularly when they have lost everything. We literally have people like that.

Ms CHARLTON - So is depression, anxiety and suicidal ideation are quite high because these people are racked with shame. By the time they come to us they would know that their world has fallen apart. Maybe their partner has left them or they have had to sell the house or lesser versions of that. But they feel pretty bad about themselves.

Ms DAWKINS - How do they get to you? What is the process? Would you go to a doctor, potentially?

Ms CHARLTON - No, you can just ring up.

Ms O'NEILL - People can self-refer. We try to be out and about and break down some of those doors because we always say to people that the hardest step is coming through that door.

CHAIR - Going back to your opening statement, you gave some figures like 8 000-10 000 problem gamblers and you use the term '\$90 million' and '\$50 million'.

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Ms CHARLTON - This is from the Tasmanian Gaming Commission. That is where I got my information from.

CHAIR - That is fine. Can you provide comment on a report of approximation that 0.5 per cent of the Tasmanian population have a prevalence for addiction to gambling?

Ms CHARLTON - That is what I have read.

CHAIR - Yes, 0.5 per cent. You obviously see that end of that. I was pleased with how you explained how it went out to 8 to 10 people who were indirectly or directly impacted by those. WA does not have gaming machines and pubs and clubs. There has been discussion about that it is perhaps a place that we can go, acknowledging that casinos were put here for the purpose to provide those venues. Do you have a comment on that scenario? I know you have spoken about it, but do you see that is a way to go?

Ms CHARLTON - Sorry, do you mean by just -

CHAIR - No gaming machines in pubs and clubs, just in the casinos in Tasmania.

Ms CHARLTON - My personal preference would be no gaming machines anywhere at all, full stop, but I doubt whether that is going to happen. That is one of our recommendations: that the pubs and clubs that are spread all around little communities - as Tanya mentioned - they can be a little social hub. They will attract people. They are the places that we think, and the research supports, that they do not want to be.

CHAIR - Following that closing comment, I would like to hear, has your association considered or researched the likely impacts on the communities if gaming in pubs and clubs ceased? In saying that, I refer to the viability that was presented to us last week about the reduction of jobs, the flow-on effects to supplier and distributors. It is, for some communities, seen as a meeting place or, as you described, family-friendly environments. Whether we like it or not, in some towns, once the bank closes and the post office and the schools close, the pub is all that is left.

Ms CHARLTON - Before gaming machines came out in 1992 or 1993, do you remember back then, Mike? I do.

CHAIR - Yes, but I was not in pubs and clubs then.

Ms CHARLTON - Pubs and clubs were where you went and listened to a band or you played a game or you had quizzes. They survived before the pokies. Why can't they survive after the pokies? It will be a bit of a change for people, but people adapt. How many people does it employ? The casino employs, how many thousand would it be?

CHAIR - It was interesting, it was put forward to us that, for example, in small communities where there are gaming machines, the catering staff, the chefs or the cooks, might be there seven days a week because they are providing food for the customers. If there were not that, it would appear that it might be a four day a week job. This was put forward to us as a committee. We understand we are in that transition period.

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Ms CHARLTON - That is a consideration, especially if you have a job in one of those places, yes. How much money is the Government spending on ill health, on crime, on all the fallout from pokies - not just gambling? There are some estimations that it is up to \$144 million.

Ms O'NEILL - I think sometimes we have got to do short-term pain for long-term gain. I am glad I am not in your shoes really.

Ms CHARLTON - I am too. I think the most important thing for me is the whole ethical consideration. Who is making the money and who are they taking it from?

CHAIR - The work you undertake at Holyoake is well known within the community. Congratulations on that and thank you very much.

THE WITNESSES WITHDREW.

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Ms MEG WEBB, MANAGER, SOCIAL ACTION AND RESEARCH CENTRE, Ms MARGIE LAW, POLICY, STRATEGY AND DEVELOPMENT, SOCIAL ACTION AND RESEARCH CENTRE, Ms ANGELA LUTZ, COORDINATOR SUPPORT SERVICES, ANGLICARE TASMANIA INC.; AND Ms CAROLYN HIRSH, PERSONAL CAPACITY, AND Mr JONATHON BOOTH, PERSONAL CAPACITY, WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED.

CHAIR (Mr Gaffney) - Welcome, everybody. All evidence taken at this hearing is protected by parliamentary privilege. Once you step outside the Parliament you may not be afforded such privilege. The evidence you present is being recorded and a *Hansard* version will be published on the committee website as soon as it becomes available.

Ms WEBB - I manage the Social Action Research Centre at Anglicare Tasmania. I am joined by Jonathon who is here to speak as someone with personal experience of the impact of poker machine addiction on his family. Margie is here in her capacity having done research and policy work on gambling since 2003 for Anglicare Tasmania. Carolyn is here to speak from her perspective as a Victorian MP who was in the state parliament there when they introduced poker machines to pubs and clubs and also to speak from personal experience. Angela will be able to draw on her extensive professional experience in our Gambling Support Services. That is the context in which we are here. We are very happy to answer your questions and to talk with you after we make some opening remarks.

As you would be aware, Anglicare is the largest community service organisation in the state. We have offices in Hobart, Glenorchy, Sorell, Launceston, St Helens, Devonport, Burnie and a range of programs in other rural areas. Anglicare services include emergency relief and crisis services, accommodation, mental health services, acquired injury, disability, aged care, alcohol and other drug services and family support services. In addition to those services, the Social Action and Research Centre conducts research, policy and advocacy work with a focus on issues that affect Tasmanians on low incomes. Our work in relation to gambling and poker machines is well known. We are funded to deliver the Gamblers Help Support and Information Service and have undertaken policy, research and campaigning on this issue for a number of years in the state.

We believe this parliamentary committee and the state Government's response to its findings is a once-in-a-generation opportunity for this state. We think it is an opportunity for our state leaders to make clear, accountable and evidence-based decision-making on the future of poker machines for Tasmania. Our proposal is clear. It is for poker machines to be removed from hotels and clubs at the expiration of the current deed and then located only in casino environments where greater consumer protection can then be put in place around them. This proposal aligns with the other very positive steps being taken on a range of challenging social issues in our state.

We know that we're making efforts on family violence, on housing and homelessness, on community safety, on efforts to increase participation in employment and outcomes in education, particularly for people who are most disadvantaged. We know we are trying to address mental health issues and suicide issues in this state. Indeed, there are proven correlations between each of those issue areas and gambling and the impact it has on our community. Good public policy is about balancing needs, interests and expectations. It relies on a foundation of evidence to inform that balance. Moving poker machines from community venues is good public policy. It will deliver a healthier and more thriving Tasmania.

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In our submission we included a short history of public policy on this issue in our state. I commend that history to you because the history creates the context in which we find ourselves today. Looking at the history on this issue in Tasmania, we see that in many ways there has been a failure of good governance to date and how fortunate it is that we do not have to be bound by history and can learn from it. In future we hope to look back on this moment in the timeline of public policy on poker machines in Tasmania and see it as a singular turning point in the right direction for the state.

I am going to talk about three key reasons why removing poker machines from hotels and clubs is the right thing to do and the best outcome for our state. I make a commitment to you that we can provide evidence for every assertion we will make in this hearing today. I encourage the committee to ask for that evidence, as I would encourage you to do so for every assertion that is made to you in these hearings. In hearing where the evidence is for certain assertions, you will be able to weigh up when you are balancing assertions against each other and deciding what will form your evidence base for the decisions going forward.

The first reason poker machines do not belong in hotels and clubs is that they are not a normal entertainment product. The Tasmanian Liquor and Gaming Commission says that poker machines are not just any product and in fact they say they are the thing that cause them the most disquiet because the machines have an extremely high capacity for harm. We agree with the commission. It is accepted as fact that poker machines are designed to addict those who use them. The Productivity Commission found that one in six people who use poker machines regularly will develop a gambling problem. It is crystal clear that poker machines are not an entertainment product comparable to going to the cinema or buying an ice cream and, indeed, such a claim is highly disrespectful to the thousands of Tasmanians that are harmed by poker machines.

We know that the committee is speaking with distinguished academics who are independent of industry who can provide research and data about the real nature of these products and their potential to cause harm. The research on the harmful nature of poker machines is supported by the real-life experience of Anglicare and its services. We see it every day in every part of the state, but because of the stigma and shame associated with it a problem with poker machines is often the last thing a person will disclose when they are seeking help. Because it is hard to determine the real number of people who have a problem, the other cascading impacts from that become difficult to measure too. There is the cost to families and friends who provide support, the number of relationships that break down, the number of jobs that are lost, the number of retirement savings that are decimated, the amount of money that never makes it to other local businesses, and the costs that are incurred by a whole range of other government health and social services.

We also think that there is a fundamental question to ask here. How much harm would we need to demonstrate to you for there to be a major change in public policy in Tasmania? What cost would we have to show you to individuals, families, other businesses and the community for a change to be made? Even if we used the statistics which we believe to be underestimates about gambling problems in this state, the situation is still alarming. They tell us Tasmania has 2000 problem gamblers who gamble, on average, 890 times a year and spend \$14 000. They also tell us there are 21 000 moderate and low-risk gamblers who gamble about 80 times a year and spend about \$3000. To put that in perspective, the \$3000 that is spent per year by low and moderate risk gamblers is more than is spent by the average Tasmanian household on health and clothing combined and is double what is spent on alcoholic beverages and tobacco. Research also estimates that for every person with a gambling problem five to 10 others will feel the impact and

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the harm of that problem. The harm from poker machines in the Tasmanian community is not currently being addressed.

The second reason that taking poker machines out of hotels and clubs is the right thing to do is that our state has the economic option to do it without greatly damaging the State Budget. This state Government is in a very exciting position. It is not reliant on taxation income from poker machines. It can afford to enact strong public policy on poker machines with the focus squarely on the best interests of the community.

In November 2015, the Treasurer confirmed that taxation income from poker machines is less than 1 per cent of the state's revenues and that any policy decision will be made in the best interests of Tasmanians, not driven by tax revenue. We will lose some tax revenue. We also know, though, that good public policy on this issue will accrue financial benefits to the state by reducing the costs that come from the community harm from these machines.

Removing poker machines from hotels and clubs will require industry transition but it is important to appreciate the context of that transition. Poker machines were only introduced to hotels and clubs 20 years ago. There are more than 37 000 small businesses in this state. Less than 100 of them have poker machines as part of their business model. The Productivity Commission found the impact of the gambling industry on employment is neutral because, if the gambling industry did not exist or was smaller, money would be spent in other industries where employment would also naturally be created. Industries change, business models change, often driven by changes in community expectations and preferences.

This brings us to the third reason that our proposal to take poker machines out of pubs and clubs is the right thing to do. The community wants change. Every time the population has been polled about poker machines they have said they believe poker machines cause harm. Consistently, over more than 20 years, four in five Tasmanians say they do not believe their community has benefited from having poker machines in hotels and clubs. Also, in every poll taken, Tasmanians have said they want fewer or no poker machines in their local communities.

When this committee called for submissions on the future of poker machines in Tasmania, with the specific term of reference to examine community views, not one individual Tasmanian made a submission in support of the current policy settings or a submission calling for more poker machines or less regulation. This contrasts with the nearly 100 Tasmanians who made individual submissions personally expressing their concern about the current policy settings and calling for the reduction or removal of poker machines from local communities. We strongly argue that our proposal to remove poker machines from hotels and clubs is aligned with, and in the best interests of, the Tasmanian community.

To quickly recap, this is good public policy. The State Government is in a good position to do it and overwhelmingly it will be welcomed by the Tasmanian community. I will ask Caroline to make a few comments so you have a context for the things you would like to talk with her about. We then have one short statement we would like to read out from a client who is directly impacted by this issue.

Ms HIRSH - I was the Victorian Government whip in 2001 - a Labor government at the time - and Joan Kirner was premier. John Cain had said, 'They will put in poker machines over my dead body'. You are all probably too young to know the history of Victoria, or care much, but we were very broke at that time. Our revenue had dropped dramatically and things were a bit

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desperate. The state bank had collapsed; all sorts of things had happened. The new premier, Joan Kirner, and the cabinet decided to bring pokies to Victoria. We had been lobbied for years by the industry, who learned their tactics from the National Rifle Association in the US, I am afraid. I spoke in favour of this legislation. I read my *Hansard* speech when I was writing my book a couple of years ago and I thought, 'You're mad', because I became addicted to poker machines, severely and horribly addicted.

Hearing the two speakers earlier, I understood what they were saying. I drank alcohol as well, so there was that duel thing. I was never really addicted to alcohol, but if I did not play the pokies, this went on for about four or five years, I drank instead. I tried to stop. Once I realised I was absolutely hooked, I tried to stop, so I would drink and that does not help. Drinking far too much does not help at all, and a lot of people do this.

These poker machines are dangerous machines. They are actually shown to be dangerous. They have the same effect on the brain, and there is evidence for this, as does cocaine, heroin, illegal drugs, and yet, poker machines that have that same effect - you see on an MRI the same bit of the brain light up when a person plays a poker machine as when they take cocaine. This is the terrifying thing. I did not know any of this as I slowly became addicted.

It started - I found my daughter hanging in the garage in 2001. I took on the care of my granddaughter, her daughter. I did not grieve. I had grief, guilt, so much guilt. When your daughter does this, 'What did you do wrong?'. Anger. I compounded that by using these things to soothe me, because they do soothe you. They produce dopamine, which roars through your brain. You go in there in that shaky panic because you have had a flashback or you cannot bear to think of that image of what - I cannot bear what I saw. Now I can talk about it, but I could not bear the image of what I saw.

Within 10 minutes, the dopamine would be running and my brain would settle down. It would hypnotise me. I did not know this was happening. I was a psychologist before I went into Parliament. How come I did not know? I knew about operant conditioning - Skinner's rats. This is one of the big drivers of poker machines; the more you are rewarded, the more you play, but the reward needs to be unpredictable. That is what happened with the rats and that is what happened to me and to everyone who becomes addicted.

I do not like to use the term 'problem gambling', because I believe that puts the problem back on the gambler and they feel shame. On top of all the other emotions I was experiencing, I developed enormous shame at what I was doing. I was still an MP when I started. I also drank a bit and was caught drink-driving while I was in parliament. Steve Bracks was premier at this stage and heaved me out of the party pretty darn quick. It was pretty awful.

There was the shame of that, the shame of the addiction slowly developing, which I kept a secret. People knew I drank, because drinking is not quite so shameful in many ways as playing poker machines. Being addicted to the pokies is shameful because we are called 'problem gamblers', not addicts. A person addicted to, say, cocaine or heroin, you feel for them because they are addicted. The problem is society's, as is the problem with the pokies. It is just that those drugs are not condoned by the government, whereas the pokies are run by the government, more or less. They are definitely condoned.

They are as harmful as illegal drugs. Getting rid of them in Victoria would be wonderful, but the government there is somewhat dependent on the revenue and there would have to be a way

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through. We are looking at things like trying to get dollar bet limits. It would be lovely to remove the note things.

Victoria is far worse than Tassie. I would love to see Tasmania as the leader in getting rid of these dangerous, dangerous machines. I was not particularly poor, you know, you get a good wage and so on when you're in parliament, but by gee, I went through it. The addiction continued after I had finished in parliament. I went through pretty well what I had, amassed a lot of debt and that is paid off now. In the end, I hadn't mentioned this I was still too ashamed, but I ended up putting the house in my kids' names because I was upping the mortgage.

After about two years of counselling with an excellent counsellor in Gamblers Help in Victoria I consider myself recovered. I keep myself excluded from the venues around where I live on principle, just in case anything goes wrong or I have a trauma. I no longer get the urge, my brain has changed back and I get pleasure from all sorts of things now, rather than the pleasure being tied to the pokies.

Donald Hebb, back in the thirties, said, 'Neurons that play together, stay together.' If you get your pleasure from gambling the addiction will occur. That is more or less my story and I am happy to answer questions.

Ms LUTZ - The effects of gaming machines on my family and the community. I'm writing this full of emotion as I know full well the impact of hotel gaming venues. It took me a while to connect the two and to realise my husband had a severe poker machine addiction. It was the same as having an affair. I was shut out and the last to know. I needed to resort to prying, checking his bank statements and checking on him. I found large amounts of money deducted daily, lies, abuse, denial and refusal to receive help. He claims he didn't have a problem it was my problem apparently.

Even with my secretly and sneakily standing behind him while he gambled, just to prove to myself that it was really happening, I was met with, 'I wasn't even in the pub', or 'I only just got there and only spent \$10'. Feeding the addiction was the hotel staff making him feel important, valued and a friend. As soon as he walked into the bar his drink would be ready. In desperation I phoned a gambling line, which lead me to Anglicare. I needed to understand why a person gambled their hard earned money and received very little monetary gain. Would I like to see poker machines removed from hotels? A resounding yes, and I would cheer the day they do.

Ms DAWKINS - I feel the same way about the term addictive personality as you might about problem gambler. When we say that somebody, if they're not going to have a pokie addiction then we might find they're going to have another kind of addiction, therefore we should leave the poker machines in situ because it is going to happen anyway. You said that there was an event that precipitated your addiction and that you were drinking while you were using the poker machines and now you feel you are recovered from both?

Ms HIRSH - Yes.

Ms DAWKINS - Because you had excellent counselling help and you are of a strong mind to get yourself through it. Do you still see a counsellor now?

Ms HIRSH - Yes, I still see a counsellor once a month to be on the safe side. She is excellent.

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Ms DAWKINS - How do you get those counselling services? Is that something that you organise privately?

Ms HIRSH - No, that's through Gamblers Help and I think you have that here in Tasmania. You never know; I did go to a person for some little time who believed in harm minimisation. Because this was an addiction it didn't work. I went on a bit and tried to stop, and didn't stop and then I would stop for a while, then I would sneak back to it, but in the end I had to stop. I went back to Gamblers Help and this time got a counsellor who was a very good psychologist. I saw her weekly for a couple of years and then fortnightly for a couple years but I still see her once a month. It is funded. It is run by Outer Eastern Community Help but different services in Melbourne run Gamblers Help. It doesn't work for everyone. It took me years. It took me two years to stop and then another two years to feel that I could gain pleasure from doing normal things.

Mr BACON - You said in your introductory remarks that it took you a while to become addicted. Can you talk about that period of time and how long it took?

Ms HIRSH - My daughter died in 2001 and I probably started playing the pokies around about that time a little bit, but I had no idea and I wasn't addicted at first. I'd just go when I had spare time, thinking it was calming and recreational. I'd think, 'It's good for me, it settles me down, it stops all the feelings' - because I was trying to keep the feelings away. I didn't grieve until I went through recovery. It took probably five years until I acknowledged that I had lost control of myself.

Ms WEBB - Would you like Angela to add to that from her experience as a gambling counsellor to talk about that spectrum from low-intensity use and a low-risk problem through to a more extreme problem?

Mr BACON - Absolutely, yes.

Ms LUTZ - People often start by having a bit of a flutter playing the machines and often are rewarded in the beginning having a win. As Carolyn said, it is this anticipation, 'Oh, I can win again'. The machines are set up in a way where there are intermittent rewards so it's a bit of hit-and-miss. You get messages where you think, 'Oh, I'm almost there, if I just play it a bit longer then surely I'll hit the jackpot', which doesn't happen very often, but it does happen and in the gaming environment you can hear machines paying out, so that entices people to gamble longer.

Then what kicks in, as Carolyn said, is a change in brain chemistry, where when people are gambling they enjoy the activity. They feel they are in the zone and everything flows. They don't have to think about anything that has affected them during the day and if there have been any stresses or worries, for the time being they can switch off. People use it, for example, for relaxation after work or when they have issues at home. For some it is a bit like having a glass of wine or a glass of beer - it is quite relaxing - but for some people it can become addictive and people might drink more. For people who develop a gambling problem, they need this time out from everything - it is really rewarding.

Also there is the hope that they might still win the money back that they have lost, so it keeps people going and they get deeper and deeper into debt because they borrow from relatives, friends and even work sometimes, and then hope that they can win the money back but they don't. There

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are many factors involved aside from the relaxation effect of it, and at the end these people are pushed into a corner. There is no-one willing to lend them money anymore, their relationship has broken down and they might have to move out of their accommodation, so they hit rock bottom and often suicide. Even before that, people might start embezzling money. That's the continuum, basically.

Ms DAWKINS - In the Liquor and Gaming Commission's submission they were talking about the next raft of harm minimisation and specifically said they wanted to look at the operant conditioning techniques. From my point of view, I would say that is an inherent part of a poker machine. We know that new poker machines are being produced all the time so there is an opportunity to say, 'We're going to produce a poker machine that does not have the bells and whistles and the losses disguised as wins'. Is that something either of you think might have an effect?

Ms WEBB - First and foremost, the best harm minimisation would be to limit access to the machines by only having them in casino environments. A very effective way to minimise harm is to get them out of local communities and into environments where we can look at some of those other harm-minimisation measures. They are consumer protection measures really. This is a product that has the potential to harm and when we have a product like that in our community we put consumer protection measures around them. That is why we fence our pools, put seatbelts in our cars and put plain packaging on cigarettes. We put protection around products that are potentially harmful. In a casino environment we can look at some of those other options which would genuinely make poker machines more a recreational product and less of a harmful one.

Ms DAWKINS - Are you aware of anywhere in the world that has been done?

Ms WEBB - We can get back to you on that.

Ms HIRSH - You could in fact remove all of the reinforcing things. A poker machine is a spreadsheet with a series of algorithms on it. If you took away everything else - the story on the screen, the music, the sounds, all of that reinforcement, operant conditioning and classical conditioning - people would press a button and a different algorithm would come up each time. There would be a spreadsheet - that's all it is. The rest is just a video thing and it's not random. The algorithms are designed to give many near misses so you get the buzz and think, 'It's coming, it's coming'. Then it doesn't, so you keep going because next time you might win. If you win it's more bells, whistles, noise and pictures but you've put in \$10 and you've won 20 cents, so they're losses disguised as wins. They are the two non-random ways in which poker machines are deliberately designed.

Ms DAWKINS - With the Social Action Research Centre, is poker machine addiction the main area of study at the moment?

Ms WEBB - We undertake a range of activity including research, policy development, advocacy and campaigning across many issues that affect low-income Tasmanians. Poker machines and gambling has been a consistent issue that we work on. Margie has worked on that for us since 2003 and even before that Anglicare and SARC worked in that space. It is one of a range of things. The reason we work on a range of issues is that none of these things exist in isolation. The social issues we face that challenge us a state are all quite connected. Poker machine gambling and the harm it causes is not an isolated issue. It does not exist separate to the

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other great efforts we make on social issues in this state and we should think of the way we deal with poker machines is part of a really effective coordinated way of a better future for Tasmania.

Ms DAWKINS - Post-2023 ideally you would see that as the last day there would be poker machines in pubs and clubs in our suburbs, but would you discuss a transition period or what that might look like if we were to look at a system where as machines come up to be replaced we don't replace them anymore? Perhaps it could be looked at as a five-year period of removal?

Ms WEBB - First and foremost we have to think about these things as two steps. The first step is the really positive decision to have a different and more positive future for this state and to take poker machines out of hotels and clubs. That decision could be made in and of itself and then flow through to a second set of considerations which is about how we will make that happen. That is a separate discussion we are very interested in having that would necessarily involve all the stakeholders currently in this space. You would think it would involve a timeframe and conversations about how that transition would best supported and what model of transition. It would involve some economic modelling to see how it might best work to phase those machines out or to have a transition period in which they are phased out. We really support a transition. We also support the idea that a decision is made in the best interests of the state about the future of poker machines and that is to take them out of pubs and clubs and then look at how best to go about doing that.

Ms DAWKINS - Jonathon, you have a family member who has a gambling problem and that has affected your family, I understand?

Mr BOOTH - Yes, it has. It has to do with my sister, she has a mild to moderate intellectual disability. That makes her pretty vulnerable when it comes to playing the pokies. She is an alcoholic as well so she drinks while she is playing the machines. Because of the amount that she is losing every time, she plays she is relying on myself and my mother to help cover her losses.

Ms DAWKINS - Is she in counselling now?

Mr BOOTH - She has been in the past through Anglicare Tasmania with their gambling help group but she hasn't been in for quite some time.

Ms DAWKINS - She is still gambling at the moment?

Mr BOOTH - Yes, she was actually gambling last week with her last pension. That's already gone.

Ms DAWKINS - How does she survive week to week if all of her money is gone into the poker machines?

Mr BOOTH - As I said, relying on myself and my mother to help cover her losses and to get her through to her next pension. She is even on a self-exclusion order as well. Currently, at the moment, that self-exclusion order is statewide, but before that it was only for the south of the state. She got that amended after she travelled up north to Launceston to gamble at some of the venues up there. Now it is statewide but she is still gambling.

Ms DAWKINS - If somebody has put themselves through self-exclusion and they are still gambling does that mean self-exclusion doesn't work, in your view?

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Mr BOOTH - In my opinion that it doesn't appear that it is working. The trouble with my sister, Alison, is to do with her disability. Her concept to be able to understand that the poker machines can be pretty dangerous to play and she could end up worse off for it, a lot worse off.

Ms DAWKINS - Does she still see it as a pleasurable form of entertainment even with all of the trouble?

Mr BOOTH - Yes, she does, because that is pretty much how badly she is hooked on them. She sees it as a form of fortnightly entertainment. Where we are living in New Norfolk, there is not much to do. Therefore so she has had to resort to other means to keep herself entertained.

Mr BACON - Can I ask how she gets around the self-exclusion? How does she gamble?

Ms WEBB - If Jonathon is not aware of the details of that, could we ask Angela to comment on it from her experience?

Ms LUTZ - Gambler Services provides exclusions for people who want to exclude voluntarily from a particular venue or from all venues in Tasmania or just from gaming areas in Tasmania. As you know, self-exclusions are governed through the Tasmanian Gambling Exclusion Scheme. We also provide venue visits and venue support for venues who are struggling to detect people with a gambling problem or want to have further education, or just to provide information of the services.

Our experience with self-exclusion is a bit hit and miss. It looks for people who exclude and never go back to the pub they have excluded from, or to the venues. For them they feel too embarrassed to go back. For others, they like to go back sometimes and challenge the system. The addiction is so strong, so they start going into venues. If they are not detected, they feel that the system is not working. It encourages them to go into other venues where they are excluded from. They find out that they are often not detected and so lose faith in self-exclusion basically. For the venues offering, I think it is hard.

Mr BOOTH - For her to access these venues, she just goes into the venue either through an entrance that they have or through the bar. More often or not the venues have the poker machines in them it is right next door to the bar.

Mr BACON - She goes into the bar and then goes into the gaming room from there.

Mr BOOTH - Yes. She normally gets a drink and then goes into the gaming area.

Mr BACON - How long has she had the self-exclusion?

Mr BOOTH - The initial one was at the start of 2009. That one was only for the south of the state. She didn't have that amended until February 2015, or thereabouts; only after she travelled up north to play in the gaming venues there. That is how she was getting around the self-exclusion order in the south of the state, by gambling up north. With some assistance from our father and Anglicare Tasmania, she took out a statewide self-exclusion.

Ms LAW - I was in the hearings last week and heard the Hotels Association and their representatives saying that venues look after people and approach them if they believe them to

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have a gambling problem. We have brought two people along with us today. Jonathan's story is not unique. There are lots of other people we see who have a similar story to Jonathan's. The story is that they do go back to the venues; the venues do know who they are and the venues do not intervene. When Jonathan tells me about his sister, there is a handful of pubs that she goes to regularly, and they know her.

Mr BOOTH - She has a select handful. In the last couple of months she's been making trips into North Hobart and playing in one particular pub there that has poker machines. She was in there only last week.

Ms LAW - She goes back to the same places more than once. It's not like they don't know who she is.

Mr BOOTH - They can see who she is. At some of the places they are quite familiar with her, especially in New Norfolk where she was a real regular. She was then travelling down into Glenorchy and into North Hobart for the last few months.

Ms LAW - That's something to remember about the code applying to those gaming venues is that there aren't legal consequences for them if they don't intervene. Whereas responsible service of alcohol requires venues and staff and legally holds them accountable if they breach what they are supposed to be doing, there is no responsible service of gaming that would have legal consequences for the venue or staff for not intervening.

Ms COURTNEY - My first question relates to Carolyn's story. I want to ask it with due respect considering the circumstances. The trauma you went through, Carolyn, is horrific and indescribable. If gaming were not available to you, do you think it would have precipitated some other type of activity where you felt you had that escapism from your circumstances or do you think you would not have sought any other avenue for escapism had gaming not been available?

Ms HIRSH - May I just say I don't call it 'gaming'. Gaming sounds like entertainment; I would prefer to call it 'gambling', if you don't mind. I don't know, I have absolutely no idea. I did drink as well during that period. I drank wine definitely more than I should because whenever I stopped playing the pokies I would up the drinking. I thought I was addicted to both but it turned out the addiction was to the pokies.

I don't know what would have happened had we not had them. I presume I would have consumed alcohol. In the end, that was easy enough to stop. I went to Alcoholics Anonymous at one stage and totally stopped drinking for quite a while but I started playing the pokies again because my brain needed to be changed back. There was a pool between - 'What am I doing? I am ruining my life'. I knew I was ruining my life, but I can't stop.

The self-exclusion thing is a two-way street. If a venue lets you in, you must report them to the AHA, who will then sanction the venue. Of course, a person who wants to keep going, as Jonathon's sister does, to a venue where they seem to be getting away with it and they do not report it, then that is how it goes. Self-exclusion is not an end in itself at all. You have to want to stop. Therefore if you do find yourself, the addiction pulling you in there and they let you in, you must report them. That is a difficulty.

Ms WEBB - Sarah, what you are asking about is transferability. There are a couple of things we would like to say about that if that is all right. I am going to ask Margie to comment in a

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minute about what we know from research about transferability of gambling habits. The point I would make too probably, more fundamentally, to that is that there is not an argument to be made that we prevent harm in one space because harm might occur in another space if that space is not there.

Because children might fall from trees, we don't not fence a pool. We fence the pool because the pool is dangerous and we know we can make it safer by putting a fence around it, so we do it. The fact that they might hurt themselves by falling from a tree or riding their bike on the street, we deal with those things separately and address the harm in those spaces as appropriate.

There is not a reasonable argument to be made to have a lack of action in an area that we know causes harm, because harm might occur elsewhere. I will ask Margie to pick up and talk about what we know from fact and research about people and the transferability of the gambling habits.

Ms LAW - The social and economic impact study in 2014 and also in 2011, asked people whether they would gamble on other forms of gambling if there were no poker machines, and regardless of what the THA might claim, the answer is no. If you remember what Associate Professor Samantha Thomas said this morning, the research is that it is a different cohort of people.

Yes, there will be some people who will gamble online and on poker machines and who will have a bet with the races. But the vast majority of people who have got a problem with poker machines, a difficulty escaping from the poker machine, the people we are talking about, are not going to just simply stop gambling on poker machines and go to online. It is not a simple direct transferability.

Ms COURTNEY - Is there a flaw in the way that evidence is received from the fact that you are effectively asking somebody would they go and gamble on something else? Wouldn't a lot of people who may play on the pokies, if asked, 'If we took the pokies away, are you going to gamble somewhere else?' a lot of people would say, 'no,' because they would have the intention of not going and gambling. But if their source of dopamine or their source of relaxation was taken away, then they would. Have there actually been any studies of communities where pokies have been removed?

Ms LAW - Pokies are so rarely removed that no, as far as I know, there are no studies on that. The main issue about that is, the Parliament has an opportunity now to look at what harm is being caused by poker machines and what Parliament thinks is reasonable to be condoned by Parliamentarians. Basically does Parliament think it is okay to keep receiving taxes from poker machines in our local hotels and clubs? You do not have the power with online gambling, for example. You have the power to influence policy federally and to commit research, but this Parliamentary inquiry is about the poker machine.

Ms COURTNEY - You mentioned the relaxation nature of playing on the pokies and alcohol consumption. Obviously, consumption of alcohol is something where it generates taxes. Would the next step if pokies were banned, be, to say, alcohol is dangerous to a cohort of people, therefore we are banning alcohol?

Ms LAW - We are basing our call for the removal of pokies from hotels and clubs on a number of facts and that includes the fact no-one can tell you what a safe level of gambling on a

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poker machine is. There is no fact on how long you can gamble on a poker machine and be safe. We know you cannot smoke cigarettes at a safe level, but at the moment the science about alcohol talks about how many drinks of alcohol you can have in a day or in a week.

Ms COURTNEY - Could I ask that that safe level with regard to alcohol has to do with the health perspective, not necessarily the addictive side of alcohol. One could drink many standard alcoholic beverages and not necessarily become addicted and, likewise, could drink within the standard limits but develop an alcohol addiction while doing that. It is not necessarily comparing like for like.

Ms WEBB - No, and we did not bring it up to compare it. You raised it as an issue to think about in terms of next step. What Margie is doing is redirecting our attention to the fact we are here around the table talking about poker machines - what we know about them, what we know about their impact and what opportunities we have to have a better outcome for the people in our state in future. Questions about other activities are the products for another time.

I emphasise what I said before about harm and the different things that may potentially cause harm. We don't not act in one space to minimise harm and to take positive steps because others exist. If we need to take action in those other spaces that is a matter for another time.

CHAIR - Were you somewhat disappointed, or what was your reaction to the Hodgman Liberal Government post-2023 structural framework where every guiding principle has afforded that gaming machines will be in the community, will be there from a fair return, the regulations sustainable, highest financial rewards should be shared, the placement of relocation into new venues, not solely determined by industry but the public interest should be taken into account? I am assuming that is to curtail, or to say where they should be located. How did Anglicare and other community service groups, I suppose you have had discussions because you are involved in other organisations, view the 2023 proposed structural framework from the Government?

Ms WEBB - The Government is entirely at liberty to put forward a framework for consideration, and they did so. We would regard that they missed out from that framework the very clear option to consider a future for Tasmania without poker machines in hotels and clubs. You are having a Parliamentary committee process that we are very pleased to be involved in and we are very pleased has a specific term of reference the seeking of community views and attitudes.

We think that if we go out to the community, we have gone out to the community, and asked them what sort of future they would like for this state in relation to poker machines in hotels and clubs, they overwhelmingly say they want less or they want them removed entirely. That is what we know from going out and talking to communities.

Alongside what the Government has put forward in their framework for consideration, we are here to say there is another option that is not in that framework that can absolutely be considered by all the leaders in the state as a best positive future for Tasmania. It is an option that will be welcomed by the Tasmanian community. We know four in five Tasmanians, consistently over decades, have said that they believe poker machines cause harm and do not believe their community benefits from having them in local venues. The community will welcome the option we are putting forward.

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CHAIR - The Government have said within their guiding principles there is a special community interest test they will put in for the placement of machines - but really, they have not taken into account the movement to get pubs and clubs free of gaming machines because of these distinct reasons.

Ms WEBB - That is where this committee has the fantastic opportunity to insert that option into the mix of things put forward for decisions of where to from here. This committee had the option to put that into the mix for consideration knowing that the Tasmanian community support it, knowing it is in the best interests of the Tasmanian community to do it, knowing it aligns perfectly with the other social efforts we are making in this state.

CHAIR - My last question is something totally different. You mentioned earlier the government funding for help and support services you run. What funding do you receive from the government's community support levy, is it identified as that, or how is that funded, so that we can understand how your organisation benefits from the community support levy?

Ms LAW - It's about \$600 000 a year that goes to the whole Gamblers Help program. That includes community education and counselling, and also government administration.

CHAIR - Are you able, if not now, of how that is broken down within your organisation, whether it is staff, or it is programs?

Ms WEBB - We can email that to you.

CHAIR - It will help us in understanding how that money is used and where it is directed, and how you identify where there might be an emerging issue in one community, how you deal with that or how you can help that community.

Ms WEBB - We can provide that information to you, certainly.

We feel like the voices of the people we work with in our services, and others who have direct experience of this issue, are really important voices for you to hear, so we have devoted quite a bit of time to that in our time today.

The Tasmanian government legislated for poker machines to be introduced into our communities without talking to the community about it. This is a fantastic opportunity to turn that around and undertake good public policy with the visitor community well and truly at the centre. It is responsible public policy for the Tasmanian Government to remove poker machines from hotels and clubs, and we certainly hope that you give it the consideration it deserves.

CHAIR - Thank you all.

THE WITNESSES WITHDREW

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Dr KATRENA STEPHENSON, CHIEF EXECUTIVE OFFICER; LOCAL GOVERNMENT ASSOCIATION OF TASMANIA; **Dr AKIN FALAKI**, COORDINATOR, COMMUNITY PLANNING AND INCLUSION, GLENORCHY CITY COUNCIL; **Mr TONY FOSTER**, MAYOR, BRIGHTON COUNCIL; AND **Ms HELEN BURNET**, ALDERMAN, HOBART CITY COUNCIL, WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED.

CHAIR (Mr Gaffney) - Welcome, everyone. All your evidence has parliamentary privilege but when you step outside this hearing it may not have such privilege. Evidence will be recorded by Hansard and will be available to the public at a later date.

Dr STEPHENSON - The Local Government Association of Tasmania considered at the February 2016 general meeting a motion related to gaming which was passed by our members. That motion sought that LGAT, on behalf of the members, seek to influence the terms of reference for this review into gaming and to have consideration of whether electronic gaming machines should be allowed outside casinos at all. It also sought a review of the Gaming Control Act 1993 with a focus on removing its power to override other acts. Finally, it was agreed that this position should be articulated in our advocacy.

I want to touch briefly in particular on the second point around the Gaming Control Act as this has been the main focus for our members as a collective. You would be well aware that councils have to undertake a number of statutory consultation processes in relation to both the strategic plan and their land use planning. Our members feel strongly that the level of community engagement in that which considers such issues as gaming should be able to be reflected in the spatial arrangements for where gaming is allowed and not be overridden by the Gaming Control Act in particular and reflect the concerns of the community going forward. It is about putting the control with communities rather than outside them. That is all I need to say to start off with so I would like to hand over to Glenorchy.

Dr FALAKI - Glenorchy is a beautiful city with an estimated residential population of over 45 000. Our council is guided by our Community Plan 2015-2040 whose vision is to be a proud city, a city of opportunity, a city of arts and partnership, a city that makes exciting things happen. Two of the most important priorities for the future identified by our community are in creative arts and culture of Tasmania and forging a national and international reputation as a leading destination for arts to our region, and also providing a safe, family-friendly city with quality open spaces and community and recreational facility services for all age groups. This is clearly what our community has said to us in developing our 25-year vision for our city.

The City of Glenorchy is also presently faced with social and economic challenges. We have one of the lowest socioeconomic indexes for disadvantage in this state, indeed some of the lowest in the whole country. The local community told the council what kind of future they would like. We do not want to be a city addicted to pokies and we also do not want to be known as a city that is addicted to pokies.

We know we have an unacceptable number of poker machines in our municipality. There are 270 in nine venues and approximately one machine to every 120 adults. We know that in July this year poker machine losses in the City of Glenorchy reached \$2 million per month for the first time in history, and we know that approximately 1380 people in the City of Glenorchy have some form of addiction to poker machines. For us, these are not just numbers - these are fathers,

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mothers, sons, daughters, people whose life touches other people's lives directly. Given that research has also shown that people with gambling addictions contributed about a third of the total losses to poker machines, this suggests that those estimated 1380 people are losing about \$5 000 each day on average. That is again money that is not spent on medicine, education or mortgages and we see the impact in our community every time.

The council has also taken time to speak with the community extensively. Council engaged with the Tasmanian Hospitality Association and groups such as Community Voice on Pokies Reform who had the opportunity to present their views to council. After extensive considered debate on this matter, council took a position, given the evidence it had, to join Community Voice on Pokies Reform. For us as a council, our decision was that we want poker machines out of our pubs and clubs.

The other issue council felt very strongly about is the fact that we hope that happens. Associated with that is the fact that want government to also consider a transitional arrangement for businesses that will be impacted, because we know that businesses also make their own contributions because they are part of our city. That transitional arrangement and how it looks is something we can discuss as well.

In our submission as a council, we want poker machines out of our pubs and clubs so they can be restricted to the casinos. Of course we would do that in a way that it is also safe for the community. That is what we are calling for.

Ms BURNET - The City of Hobart Council resolved to become a member of Community Voice on Pokies Reform last year. This decision reflects the council's deep concern about social and community harm from gambling, despite a minority of aldermen being in support of the current regulations around electronic gaming machines in our municipality. The council also has a leadership role as a key driver in addressing social issues and to advocate for outcomes that will benefit the broader Tasmanian community. We have been outspoken and proactive on things like tobacco reform, social inclusion, and welcoming refugees to our city.

The council made the resolution to join the community voice on pokies reform in line with both our strategic plan and our social inclusion strategy. The City of Hobart's community sector reference group also helps monitor and provide feedback to the city on the implementation of its social inclusion strategy, ensuring that the needs of disadvantaged people are addressed. It also identifies new and emerging social inclusion issues and, where appropriate, proposes strategies to address issues in an effective and collaborative manner.

It is important to note that problem gambling is an issue being raised by this group since the group was developed in 2010. It is not just in those SEIC report areas that concentrate on areas like Glenorchy and Brighton. When an individual experiences disadvantages in areas of their life, social exclusion occurs, which makes it difficult for them to participate in community life. Pokies are one of the most socially isolating, socially excluding activities. For those with gambling addiction, it can end in further social dislocation, poverty, crime, imprisonment and even suicide.

We thereby have an obligation to address this. If we look at Hobart, in gambling there are ultimately winners and losers. In Hobart the balance sheet looks something like this. The winners can be seen as Federal Hotels. A large proportion of gambling revenue of the total \$310 million spent in Tasmania goes to monopoly licence holders. It is unknown how much of this is

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invested back into tourism, but council does acknowledge that Federal Hotels has a leading role in tourism in our city.

The state government is also a winner, with just under a third of that \$310 million collected as what is, arguably, a regressive tax on gambling. There are just seven pubs in Hobart, which happen to be located on the northern suburbs bus route, and in the heart of the suburbs of our city, of concern there. Interestingly, none of those pubs are located in prime waterfront areas where pokies just are not profitable. The other winners are of course the people employed directly, which is less than three per cent of Tasmania's workforce.

On the other side of the ledger, the losers are those pubs directly competing with the pokies pubs on what is not at all a level playing field. They have difficulty with competing with the \$10 meals that pokies pubs can offer, which is subsidised, obviously. The local businesses are also impacted upon. Money spent at the pokies is money not going to other small businesses and the local economy through money not spent on entertainment, dining, services and in local retail.

The victims of pokies-related crime: the white collar crimes such as embezzlement of companies, extortion and often violent crimes, such as robbery, for those desperate for money to fuel their addiction. Those addicted to pokies, their family and friends are also on the losers' side of the ledger. For every person who develops a problem with poker machines, it is suggested that up to seven other people are also affected. It is that ripple effect like you get with suicide. You get other people affected. The house may be mortgaged, assets sold to fuel one of the most potent forms of addiction.

Last but not least, our community. We are all weaker because of the flow-on effects of addiction and social exclusion. We know that there is no safe level of gambling on poker machines. Hobart has some great pubs which work hard against the advantage afforded pokies and the casino. Hobart's local performances, the new and established talent. Music venues such as the Brisbane Hotel, the Republic Bar and the New Sydney are proudly anti-pokies businesses and these businesses struggle to compete with the \$10 meals that pokies pubs offer, subsidised by revenue.

According to the Social Action and Research Centre, SARC, the data collected in 2014-15, the Hobart municipal area has 169 poker machines, so not nearly as many as Glenorchy, but that excludes the 650 poker machines in Wrest Point Casino. These are, obviously, as you are aware, excluded from these figures. Each poker machine in the Hobart municipal area takes \$35,329 from the local community each year. That is a total of \$5.97 million leaving our economy. If you put it in a weekly figure, it is \$114 500 per week going out of the Hobart economy and into pokies pubs. This is a significant loss for any local economy and does not even include the figures from Wrest Point Casino. It is regrettable, particularly when there is significant impacts of social exclusion which goes directly against our strategic plan and social inclusion objectives because of pokies addiction.

The council believes that the court of public opinion is shifting. Yet the Government's proposed policy position, highlighted in the SEIC report, assumes that the community wants an ongoing presence of poker machines in their local areas. This assumption has, however, been shown to be questioned by all the community polls of this issue. As the SARC report, done by EMRS, suggests that 84 per cent of Tasmanians believe the community does not benefit from having poker machines in local pubs and clubs. Four out of five Tasmanians want poker machines reduced in number or removed entirely from local venues.

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As a member of the coalition, the Hobart Council absolutely agreed to support the five following public policy principles. The 1 through 5 principles include: gambling problems recognised as a public health issue and undertaking harm prevention; part 2, parliament should use the data from Tasmania's three social and economic impact studies to guide its public policy approach on gambling; part 3, public policy on gambling should recognise that higher gambling frequency is an indicator for developing gambling problems, address both the risk factors that lead people to gamble more frequently and the gambling features that are attractive to people who subsequently develop a gambling problem; part 4, public policy on poker machines should recognise that 98 per cent of the adult population either never touch a poker machine or spend less than 12 hours per year at an electronic gaming machine; part 5, public policy should therefore focus on the people who face harm because of their intensified daily or weekly visits to the machines.

In summary the council's strategic plan and social inclusion strategy are in line with the community voice on pokies reform. Community attitudes have changed and council is hearing this from a number of sources including the community, community sector reference group, local research and statistics on financial loss to individuals and the community. With this in mind, council recommends that governments respond to the changes in markets, technology and community attitudes and address this through the licence agreement for gambling activities.

Mr FOSTER - I think most people know how passionate I have been about this subject for more than 20 years. The Brighton Council put in a written submission, but I want to concentrate on (a) and (b), which are the two most important to me.

Community attitudes: 20 years ago community attitudes were the same as they are today. We do not want poker machines in our communities, particularly low socioeconomic areas. That is what people were saying 20 years ago and that is what people are saying today. It was evident to me back then by the number - and I brought this - of letters that I received. They went to the Productivity Commission. The community voiced their view through letters to me at that particular time and they are doing it through different forums at the moment. I echo and endorse exactly what Glenorchy and Hobart are saying, so it's no good my saying that.

I want to talk a little bit about the history for some people who aren't aware that this issue has been going on for over 20 years. I am talking about the socio-economic studies that have been done.

In January 1997, 20 years ago, in a motion to the Brighton Council I asked for the government of the day to do ongoing independent social and economic studies into the effect electronic gaming machines were having in our communities. In a letter dated 1993, from Ron Cornish, who was the Minister of Finance at that particular time - asking if they could do these economic impact studies, he went on to say:

In addition to keeping with the commitment given by the Government, a baseline study of the extent and impact of gambling in Tasmania, with particular reference to problem gamblers, was conducted by Professor Mark Dickenson in 1994.

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In 1996, he did another study. At the end of it, Ron said, 'In the circumstances, it is not considered necessary to conduct a further study of the nature proposed by your Council.' So, 20 odd years ago they are telling us we do not need socio economic impact studies.

For a number of years a lot of people would know I had this listed as a motion on the Local Government Association of Tasmania conferences. Year after year we put that, and in 1999 the motion I put, and was resolved and accepted by the majority of councils around Tasmania. It read:

The association requests the state Government to immediately call for tenders to conduct an ongoing social and economic impact study into the effects of the introduction of electronic gaming machines in hotels and clubs in Tasmania and, in particular, the effects they are having on families and small business in rural and regional communities.

That was a letter I wrote to the premier of Tasmania at the time, in July 1999, talking about that resolution of local government. Subsequent to that, I did not put it up every year because I knew the feeling around local government in Tasmania was the same, but I did in 2016 at our last Local Government Association. The motion I put up last time was endorsed by a majority of councils, once again. It was a little bit more detailed because we had a lot more information 20 years on than what we had back then.

For at least 20 years, local government has been concerned with the introduction of electronic gaming machines into our communities. The concern is not just about problem gambling. I know the Treasurer and other people keep referring back to we do not have problem with problem gambling, but it is not only about problem gambling. It is about the money being bled from local communities, the impact they have on families, small business and, as I said, particularly in rural areas of Tasmania.

The community loss is recognised by the monopoly operator of Tasmania, Federal Hotels. You have to read what he said. As far back as 1993, there was a Legislative Council inquiry at that particular time. Federal Hotels director Greg Farrell argued strongly that poker machines should not be allowed in Tasmanian pubs and clubs, saying that the money gambled on gaming machines would represent a redirection of household disposable income and the impact on restaurants, theatres, cinemas and retail would be disastrous. That is what Mr Farrell said back then, but the minute poker machines were allowed in pubs and clubs his attitude changed completely. That is in *Hansard*. It is in that inquiry and if you want to go back, you will find that is exactly what he said. It is amazing how some of these people use change.

The Labor Party position - I must say, the only one that has been consistent for the last 20 years has been the Greens. I do not support everything that the Greens say, but they have been consistent. With Labor and Liberal, whoever was in opposition at the time opposed them. Whoever was in government at the time loved them, because of the revenue stream. This is a document that was written by Michael Field, as a Labor leader, and it was signed by Paul Lennon, a dear friend of mine, shadow minister, in 1993. I won't read it all, but it says:

In government, this was an option put to us by Treasury but we ruled it out because of the enormous social pain which would be inflicted on our community. Our position has not changed. We believe that poker machines are not a revenue option for Tasmania. The social cost far outweighs any revenue

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gain to the state, and through proper management the Liberal Government should be able to achieve its objective.

He was in opposition, so that is what Michael said at that particular time. It is interesting that Michael Field and Paul Lennon were saying that back in 1993-94, and how their position has changed whether they were in government or opposition. It has been hypocritical of governments of the day when it comes to a decision on electronic gaming machines. Whichever party, be it Liberal or Labor, in government supported electronic gaming machines and which party was in opposition did not. Ray Groom, Rundle, Cornish, Field, Lennon, and a host of other of the day, were hypocrites when it came to a discussion on electronic gaming machines, concerned with protecting the cash cows and ignoring the health and wellbeing of Tasmanians. Only the Greens were consistently opposed to electronic gaming machines. I have heaps and heaps of *Hansard* and you can read that yourselves.

I want to go back to 1997 when I became passionately involved in this issue. It came about when the Derwent Tavern in Bridgewater proposed electronic gaming machines be put in the pub there. At the council at the time we believed it was in contravention of the Land Use Planning and Approvals Act, and subsequently it was agreed - and I will read the decision of the tribunal. They agreed that if the decision had have been made just on LUPA, the Brighton Council would have won - and it is quite clearly in the decision. What happened, unfortunately, when it went to the tribunal, as Kaz Pitt says:

The tribunal therefore finds that the premises were being used as an amusement centre without a permit pursuant to the Land Use Planning and Approvals Act and that such use constitutes a breach of section 63(2) of the Land Use Planning and Approvals Act.

In isolation, the council would win. We went to the tribunal to see whether we could summon the proponents, the Derwent Tavern, to get a permit. The decision was handed down - and this is where today the Gaming Control Act, section 9(1), which was written in 1993, is exactly the same today. This is one of the bone of contention and why we ended up losing the case. The Gaming Control Act quite clearly says:

Despite the provisions of any other act or law, section 9(1) of the Gaming Control Act overrides all other acts or law.

That is what we lost it on; we lost it on the fact the Gaming Control Act overrode all other acts. That was 20 years ago. You look at all the other legislation that has been introduced in later years and this act still overrides. No matter what anyone does, until the Gaming Control Act has been amended it will continue to override every other act or law.

From my perspective, until we get a bipartisan decision and approach nothing will happen. We will still go down the same old path of whoever is in government supporting it and whoever is in opposition not supporting it. We have to look at changing the Gaming Control Act, section 9(1). I don't think it has the right to override every other act or law, particularly if we are looking at health and wellbeing of our communities.

We need to change the Local Government Act; we need a bipartisan approach and a bipartisan decision. Listening to Hobart and Glenorchy, we are exactly the same. Why not ask the people of Tasmania what they want? This is what we argued 20 years ago and nothing has

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changed. Are we going to go on for another 5, 10, or 20 years doing exactly the same? Let us ask the people of Tasmania if they want them in pubs and clubs?

No-one seems to have an argument with them being in the casinos, but while ever you have them in pubs and clubs in all these small communities around Tasmania we are going to continue to have the same situation we have now. We will have the same problems. It is about time people in parliament started to think about the health and wellbeing of people instead of about cash cows and revenue. You can restructure revenue to get a revenue stream different to what they have today. There should not be any reliance on poker machines. If it is, the Government is not running a very good business if it has to rely on the revenue from poker machines to maintain the revenue stream. Three things: the Gaming Control Act needs to be looked at, that particular section; a bipartisan approach, otherwise we will still go down the same old path year after year; and let us ask the people of Tasmania whether they would like them in pubs and clubs or not.

CHAIR - On the decision made at the conference about what was put on the board by Brighton, was that a unanimous decision?

Dr STEPHENSON - It was not unanimous, but it was clearly majority because otherwise it cannot be carried. It would be fair to say we have had other motions which were not carried, which were about banning electronic gaming machines from pubs and clubs. We did not have majority support for that. The focus of the February motion was more about allowing councils to use their statutory engagement processes, get community input and drive the agenda on that basis.

For those communities who clearly felt it was an issue, to give councils the tools to be able to respond to that either through, primarily through LUPA. The timing is right for that, given we are in the process of developing new local provision schedules. We have got new state planning provisions. It would be fair to say that not all our members perceived the issue as being as serious in their communities as other members, which is why we landed on this about being able to take into account what communities were saying through the statutory processes which local government engage in.

CHAIR - Tony has rightly said that we should be listening to the community, and polling of Tasmania would be great. I would think it would be opportune for local councils as representatives of their communities, to come back to LGAT with their position on how many of the 29 councils currently in existence, are for banning of pokies in pubs and clubs? I think that conversation needs to be had because whatever poll is conducted by us or by the State Government it is always going to be flavoured by where that polling takes place.

From a local government perspective, I think that would be an interesting discussion. You could feed into the debate by saying that, of the 29 councils or whatever in Tasmania, this many do not want them. Because the Government has stated they want community conversation and transparency through this process and so we do. That information is something that LGAT might consider in your future meetings, which would not be that far away, I would think.

Dr STEPHENSON - I think there is a bit of a flavour of that on the basis of who joined the community coalition campaign, so they clearly had a much stronger leaning toward banning. We know that we had six councils, for example.

CHAIR - I was pleased that there was a range of not only the city centric ones, but the regional and rural councils as well that also had a position on that. It has been presented to us as a

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committee that some of the smaller communities rely on the pub or the club and the economic activity in turn from EGMs. If there is some way that you could assist that process, that would be welcomed.

Dr STEPHENSON - We can certainly take that up with our members as a discussion item in the first instance and then proceed.

Mr BACON - Which are the other three then if there are three represented here today?

Dr STEPHENSON - Brighton, Southern Midlands, Meander Valley, Kingborough, Hobart and Glenorchy are all members of that coalition.

Ms RATTRAY - Is it still one vote, one value with the numbers for the voting?

Dr STEPHENSON - No, it is weighted voting.

Ms RATTRAY - Can we have the actual numbers?

Dr STEPHENSON - I am not sure whether we recorded it, but I will see what I can find.

Mr ARMSTRONG - On the Hobart one, you have just answered some of that question, about the members of it - the 41 organisations and six councils, was it?

Dr STEPHENSON - Six councils, yes.

Mr ARMSTRONG - Is Hobart's submission consistent with the other 40 members of that organisation?

Ms BURNET - Yes. We certainly were particularly in support of the public policy principles. I can give you a copy of this. Obviously you have it recorded anyway, but those five points about -

Mr ARMSTRONG - So the other 40 submissions are consistent with your submission?

Ms BURNET - I can't speak for Community Voice on Pokies Reform; you would have to ask them.

Mr ARMSTRONG - I was just wondering whether the submission you have put in was consistent with -

Ms BURNET - Yes, particularly those five principles that I read out are consistent. Hobart is consistent with those.

Mr ARMSTRONG - Are any of those organisations, because we don't know who they are -

Ms BURNET - It is listed in the report. I might add that a number of those organisations are within the Hobart municipality and also some of those are represented on our Hobart community sector reference group, so we're getting that loud and clear from people, particularly in the community sector who operate out of Hobart.

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CHAIR - We have Community Voices tomorrow.

Mr ARMSTRONG - You touched on the \$10 meals for consumers subsidised through poker machines, but you don't have to play a poker machine to be able to have those \$10 meals. Don't you think that is good for consumers? We hear how hard people are doing it, so if they can go and have a meal for \$10, don't you believe that is good for those people?

Ms BURNET - The point I was making, Mr Armstrong, was in relation to the unfair advantage because of those subsidised meals for other small businesses, in particular. There are many small businesses who should be provided the same sort of fairness and with the advantage through subsidising these meals there isn't necessarily the same advantage for small businesses.

Mr ARMSTRONG - Do you think poker machines should be restricted to casinos only?

Ms BURNET - I can't speak for the full council, but certainly there is a feeling that the social harm of pokies in pubs and clubs is significant for the council to consider involvement with Community Voice on Pokies Reform. The argument about whether pokies should be restricted to the casino is not really what I am presenting here today.

Mr ARMSTRONG - Are you aware of the many opportunities for gambling online?

Ms BURNET - Yes, but the evidence I have read is that pokie addiction is one of the most addictive of all. People say it is even more addictive than crack cocaine. It is significant to play on people's sometimes social exclusion. When people are down or things are falling apart, they go and play the pokies and it is very easy to become addicted to them.

Mr ARMSTRONG - We've heard from other presenters that the gaming machine industry is in decline and 7 per cent of people are now gambling online where there are no controls whatsoever. Do you think people are better off in a regulated industry where people have control over what they are putting in those machines, whereas online you put your credit card in and you can gamble whatever your credit card has on it.

Ms BURNET - This submission does not really address online gaming.

Mr ARMSTRONG - I am just asking what your opinion is.

Ms BURNET - Well, I am speaking on behalf of the council so I don't know that I can give my personal opinion.

Mr ARMSTRONG - You just did a while ago.

Ms BURNET - The purpose of this submission is around electronic gaming machines and harm minimisation around electronic gaming machines.

Ms DAWKINS - Mayor, did your interest in poker machines in your community start with the letters you received or did you already have an opinion before you started receiving communication?

Mr FOSTER - My interest started as a seven-year-old because I saw in my own family what gambling, alcohol abuse and family violence did, so I've had an interest in it for almost 70 years.

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I saw my mother go through a lot of family violence due to gambling. My mother ended up leaving my father and I never saw him again. My mother raised four boys who were at that time seven, five, three and one, so I have an issue with domestic violence and gambling. So when this opportunity came along, particularly as I represent a low socioeconomic area such as Bridgewater and Gagebrook, and they wanted to put poker machines in there, I saw it. It wasn't about trying to protect that community, it was more about saying, 'Why put these machines in areas where they are most vulnerable?'

I heard the chairman talk about economic activity. Federal Hotels, Mr Farrell, has never spent one dollar in our community, be it sponsorship or support of anything. They do that in other places but they've never done it in Brighton, so I don't have a lot of respect for Mr Farrell and Federal Hotels when it comes to how they deal with communities in low socioeconomic communities such as Bridgewater and Gagebrook.

Ms DAWKINS - Why do think no money has been spent by Federal? They were talking about the sponsorship aspect.

Mr FOSTER - History shows that these are the most vulnerable people in our communities when it comes to gambling. I spoke to a lot of people many years ago and I haven't lost my passion for it but the drive hasn't been there the last 10-15 years simply because the government put in place legislation so we never had the opportunity to voice our opinion again. Now it has come up again we are able to, so I am probably echoing exactly what I said 20-odd years ago.

Ms DAWKINS - So you think our best bet, without putting words in your mouth, is with the structure post-2023? This is the best chance we have had in all the time you have been working in this space to effect change?

Mr FOSTER - It doesn't matter, whatever you are in you have to keep looking at your structure. It is very easy for governments of the day to accept the revenue stream that comes from poker machines, but surely you look at the structure. We do it in councils, you do it, everyone does it, so why doesn't the Government look at restructuring so that they get the same revenue from a different source? That is what I would be doing if I was there.

Ms DAWKINS - Do you think this is an issue that warrants a referendum?

Mr FOSTER - With an election in Tasmania in the next 12 months or so I would have thought it would be a good opportunity to ask the people at the same time. It would cost a few dollars more but not a lot if we are talking about the health and wellbeing of the community of Tasmania, which we are. There is economic development, employment and all these sorts of issues that are raised but people have forgotten about the health and wellbeing of our communities and the cost of that. I could tell you of a lot of people who have committed suicide; there are all these sorts of hidden issues. Go out and ask the people of Tasmania if they want gaming machines in clubs and pubs. If they say yes, we all have to get on with it because that's the decision the community has made.

Ms DAWKINS - Is there another way other than a referendum to gauge that opinion?

Mr FOSTER - I would have thought that would be an opportunity. I know the chairman suggested we go back through local government communities. That is an avenue but I would

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have thought the best way forward is to ask all Tasmanians in a referendum or plebiscite, whatever one wants to call it.

Mr BACON - Tony, you have said Federal Hotels have taken money out but they have never put anything back into sponsorship.

Mr FOSTER - Correct.

Mr BACON - Do you think you have seen your fair share at Brighton, given the amount of money that goes out of Brighton come back through grants through the CSL?

Mr FOSTER - I note that Federal Hotels are very good at what they do. They massage different things for their own benefit. They have supported tourism in other places. All I am saying is, Scott, that they have taken out of our community for 20 years and never put back a dollar, be it in tourism or sponsorship of football, you name it. Maybe that is because we stood up against Federal Hotels 20-odd years ago; I do not know. I would have thought that a company like that, which is taking so much out of our community and doing so much damage in our community would put a little bit back in some form or other.

Mr BACON - When it comes to the community support levy - and I would be interested to hear the thoughts of Glenorchy as well on this given that it seems like a lot of the poker machines are in Brighton and in Glenorchy, a lot of the money comes out of Glenorchy and Brighton in particular - do you think you should get a bigger slice of the CSL than other communities where possibly that much money does not come out?

Mr FOSTER - I know what you are saying but to me that is not the solution. We have got to get a solution to the whole problem. To me, that is just bandaid stuff that we have done. That has been documented; it is in legislation. We have got a community support levy and all that sort of stuff, whatever, goes back. That has been in place 20 years or whatever the case may be. We have still got the same problems in our communities. It is not the solution. What we have got to do is get a solution. I do not know any better way than fixing the Gaming Control Act for a start and going out and asking the people whether they want them or not.

Mr BACON - If people do say they want them, would you think there is a case to be put for Glenorchy and Brighton to get a bigger share of that or you are not concerned about that?

Mr FOSTER - I am not sure whether you might have been directing that at Glenorchy.

Mr BACON - I am happy for either of you to answer.

Mr FALAKI - For us in our submission, we are clear about it. In 2014-15, with almost \$20 million leaving our community for the community support levy for that same year, the money that came into our community through that form was less than \$40 000. So you can look at \$40 000 to \$20 million. Having said that, we do understand that the community support leagues do a really fantastic job in our community, part of which is to help those who are addicted to gambling. We know that goes on but we do not think that it is sustainable and we do not think that is right. We have made our case not because we are asking for more money; we think more money into that fund would be good. We think they should probably pay their fair share. We also think the distribution of that money should probably be looked into. However, in the long run what we do want is that these products be taken out of our communities.

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Ms RATTRAY - If electronic gaming machines were to remain in Tasmania, do you have a view on what regulatory requirements the committee should be looking at? Should there be an increased level around regulation? Maybe somebody else then. I am just interested.

Mr FOSTER - My firm view is that they should not be in pubs and clubs in our communities. I have seen the devastation around your particular area, small towns in rural and regional. I have a very strong view and regulation is not going to fix it.

Dr STEPHENSON - From a broader association perspective, we would definitely see that increased community interest tests and things like that would come into play. Similar to liquor licensing: you should be able to get a better balance of inputs. I am not saying that liquor licensing is right yet either. I will just note that, but it is certainly progressing. There is nothing like that for gaming currently.

Ms RATTRAY - It has been suggested that for anyone who undertakes responsible serving of alcohol there are requirements and then there are repercussions if they are not adhered to. It appears that that is not the case when it comes to people who are employed in the gaming areas of venues. I was just interested in what your thoughts are.

Ms BURNET - If I might add too, the planning provisions are another way of having a greater impact. We do go back to LUPA to see the social and economic harm as part of that. That is something that could be considered.

CHAIR - Tony, I am interested in the recent bypass of Brighton and if it would have had impact on some of your businesses there with the less flow through of traffic. Have you had conversations with the Brighton Hotel, which has gaming machines? Have you had conversations with the owners? The Tasmanian Hotels Association, as you would expect, presented a case last week about the importance of those.

I am wondering what follow-up conversations you have had with those businesses. Here is the scenario they gave to us. They said that at the moment, with their electronic gaming machines in their pub, they can probably put on a cook, chef or whatever to provide seven days a week. If those machines go out, they believe that they may only be able to have that provision for four days a week because of the lack of revenue and the lack of being able to retain staff for a period of time. It is those sort of impacts that I am interested in and to hear what conversations your communities have had. I noticed you talked about transition. For some people in the hospitality industry, transition is another way of saying, 'Talk about it but don't do anything.' I am wondering if you have had the opportunity to chat with those venues that may be impacted.

Mr FOSTER - I do not go in there. I refuse to go into a pub that has poker machines. That is part of my own philosophy, I guess. We are dealing with that in a different way. We are doing a lot of streetscape planning through Brighton. When the bypass went in, we agreed that naturally enough the business would drop off. We are addressing it in a different way, rather than worrying about economic development or jobs in the pub. I think that would be a much bigger benefit for all of the community than the few people that go to this pub.

Ms BURNET - I believe that some of the staff have spoken to owners of hotels with pokies in Hobart. I know full well that places like the New Sydney, the Brisbane and the Republic have had to reinvent themselves, effectively, to be competitive. Fortunately, they are thriving in some

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senses. I suppose it is a market-driven response but there could be a much better way of doing that in our municipality, as in others.

Dr FALAKI - For us, through our communities, committees and the other service providers in our communities, we continue to see the devastation that the product, electronic poker machines, costs families within our council area. It is of really serious concern to us.

The community is becoming very sensitised about this issue. They really want action to be taken. They want to have a voice in this. While all of this conversation was going on, we still had applications for more poker machines within our community and the community responded in a way that we have never seen before. Tasmania is saying, 'No, we don't want this product within our communities. We should take them out.' It is that sentiment that we have within our community; just wanting to engage, wanting to have their say, the majority just literally saying the same thing. But it has not done us much good. It is taking away from us. What we see, clearly, is a lot of the impact and the devastation in families and within our communities. The poker machines should be taken out and be restricted to the casinos with regulations, of course.

CHAIR - Is there anything that we have missed that will make front headlines in tomorrow's paper that you want to put on the table? Is there anything else you would like to add?

Dr STEPHENSON - No, I think that was a perfect endpoint. The issue is giving weight to the community's voice and that doesn't exist at the moment. How do you shift the regulatory environment, the market environment so that the communities have a say, and from a local government perspective where a key function is the health and wellbeing of communities, that is a key driver.

Ms RATTRAY - If the Gaming Control Act was changed, and local government did have a say, do you see a progressive withdrawal? Would you see an application come in and council would say no, so that would be five more gone, five more gone, how do you see that working when they are already there? We know pre-existing use is pretty solid ground in local government, so how do you see that? I don't mind who answers it.

Mr FOSTER - I think you would have to take that into account. What I would like to see would be everyone having to go through Land Use Planning Approval Act, through the council, to get a permit. The council today would look at the reasons for it. I probably don't have a problem - as the Chairman said, we're probably going to have to transition this. You probably couldn't take all the poker machines or electronic gaming machines out of every pub in Tasmania straight away.

Ms RATTRAY - I think that is what Glenorchy is saying, taking them out straightaway.

Dr FALAKI - We do, like I said, in our submission and I also emphasise there should be a transition arrangement put in place to support those businesses. They employ people who are also part of our community, so take them away gradually and have a transition arrangement. I know, for instance, that each machine has a life of about five years. That is something you can work into the transition arrangement. I think that is a platform, to say things will wean out with time and we need to support those families that will be impacted for loss of jobs or whatever.

Ms RATTRAY - It is possible, in your view, to just take them out?

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Dr FALAKI - Gradually, yes.

Mr FOSTER - Glenorchy was an interesting position. Back in 1997, when I wrote to all the mayors in Tasmania, Latrobe and Huon Valley both supported, but Terry Martin was the mayor of Glenorchy at the time. He said it wasn't his jurisdiction to look at it. I often wonder now if Terry looked at it today, would he have the same opinion he had 20 years ago when they didn't support local government having a view? Glenorchy has the biggest problems now, and yet when we asked them to address it and support our 1997 submission they didn't want to do it. Maybe the decision - local government can have an input, but I think really the driver of this whole change has to be the parliamentarians, the Government.

Ms RATTRAY - It's a referendum, in your mind.

Mr FOSTER - Yes.

Ms BURNET - I would refer you to the summary of recommendations in the Community Voice for Reform. I think that sums it up pretty well too, so a transition process could work.

CHAIR - Thank you very much for your contribution today. I would like to correct one of the things Mr Farrell said last week; he did point out they were against machines going into pubs and clubs. When the decision was made, then they saw the opportunity they could provide a service, so as a businessperson or business group, that is what they did.

Mr FOSTER - I'm not sure they saw it as an opportunity to provide a service, they saw it as an opportunity to make some money.

CHAIR - I was quoting what he said. Thank you all very much.

THE WITNESSES WITHDREW.

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Ms ANN HARRISON, COORDINATOR, AND Mr JONATHAN BEDLOE, DEVELOPMENTAL OFFICER, RISDON VALE NEIGHBOURHOOD CENTRE, WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED; Mr JOHN HOOPER, EXECUTIVE OFFICER, AND Ms TRISH O'DUFFY, MANAGER, ST HELENS NEIGHBOURHOOD HOUSE; AND Ms KATE BEER, COORDINATOR, DEVONPORT COMMUNITY HOUSE AND PRESIDENT OF NHT WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED VIA TELECONFERENCE.

CHAIR (Mr Gaffney) - Welcome, everyone. Any evidence taken at this hearing is protected by parliamentary privilege. Once you go outside the hearing, you may not be afforded such privilege. It is being recorded for Hansard and will be published on the committee website when it becomes available. If there is evidence you would like to give in camera, that can be arranged.

Mr BEDLOE - Neighbourhood Houses Tasmania is the peak body that supports and represents the 35 Neighbourhood Houses and the grassroots community development work they do around Tasmania. Most houses are located in areas that experience high levels of disadvantage yet also have poker machines. In 2015-16 our network had more than 445 000 occasions of service, at an average of more than 13 000 contacts in each house. Most of these contacts relate to health and wellbeing, provision of assistance, community issues for children, youth, families and individuals in our communities. Our houses operate with less than two full-time staff and core programs. We depend heavily on the work of local volunteers and being well-embedded in their local community. Neighbourhood Houses are run by the local community for the local community.

As part of our submission, we have consulted with our staff and volunteers and most people want to see pokies removed from local pubs and clubs. Pokies have only been around for a short period of the recent history of pubs and clubs in Tasmania. So it is possible to reverse decisions previously made, though it will not remove the harm already done. The community, were never asked if they wanted pokies in local communities, as far as we know, and now they have been asked through research in the last few years, overwhelmingly they have said they want them removed. We call on the committee and the Government to recommend their removal.

The amount of money lost to local communities, often already disadvantaged areas, is unacceptable and equates to significant local and economic loss. Money not spent on pokies would still be available for spending in the local community - for example, through their local IGA or to spend on meals at the local pub or to join the local gym or participate in other activities. We believe that while pubs may be an essential part of some local communities it is not the pokies in them that bring people together. It is not the pokies that address social isolation or disconnection. Many in our community would argue it is pokies that have killed local pubs, taking away the community atmosphere and replacing it with electronic bells, whistles and flashing lights.

NHT is pleased with the commitment by the Tasmanian Government to address family violence, child safety, mental health and suicide. However, allowing pubs and clubs to operate pokies in local communities is working directly against the intention of these other policies. Removing pokies from pubs and clubs is clear action the Government can take to support these other policies. We support a transitional phase-out of pokies to enable local pubs and clubs to adjust their business model. We believe the organisations that own or lease pokies have the ability to come up with healthy alternative business models that do not depend on extracting

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money from potentially vulnerable people, using technologies deliberately designed to be addictive. Neighbourhood Houses are the warm and generous hearts of our communities. In our Houses come together to connect with each other, to network and support each other, to work for the betterment of their local place.

Ms DAWKINS - We were very interested in that transition model. Have you spoken to local businesses that might, at the moment, be benefiting from having pokies in them to see what they might think about that as a transition?

Mr BEDLOE - I will defer to the other members of our group. As a start-off, no we have not consulted specifically in an intentioned way but there is room for an opportunity to do that.

Ms DAWKINS - When pokies went in, back in 1993, it was a very different cultural landscape. We are not going to go back, we tend not to. We tend to move forward and we have moved into something called the digital age where entertainment is a very different beast. With that in mind, do you think the pubs in the lower SE areas have the capacity - or would they need a lot of guidance and tutoring, perhaps consultation from the Government - to enable that transition, should we get there?

Ms HARRISON - I would think so. Looking at my community, it is all about technology. They are always on their mobile phones. Everything is about technology and I would assume that our local pub, there are lots of pokies down there, and our young people are down there all the time. I know the reason they go and I think it is addressing those reasons around social isolation, social skills and all those sort of things, but it would be very hard on the pubs.

We cannot do things in Neighbourhood Houses with flashing bells and maybe we need to have something with flashing lights and things. I understand that. When I lost my husband - we were married for so long - when he was not there, going down to play pokies was one thing I could do on my own. I could sit there and it was quite entertaining. I could have a drink, if I wanted to chat I could and it was easy, it was not hard. I can understand how easy it would be to get addicted to it if you did not have any friends you could go to. I would assume pubs would need some help if they were going to take them away.

Mr HOOPER - I want to respond to that a little. Partly, I think the industry is having its say on this issue about - to be blunt - the sky falling in if pokies are removed from communities. I made the point in 1993, we did not have pokies in pubs and clubs, but we had pubs and clubs. We are not against pubs and clubs.

In New South Wales, Woolworths own a lot of pokies, which is not in Tasmania, but 90 per cent of the income to the pubs comes from pokies. They are not pubs; they are pokies bars that happen to serve alcohol. I think what we are calling for is to move forward to get back to being community places for pubs and clubs. We can talk about how it is entertainment, and Ann is talking the beginning of a slippery slope into addiction.

These are addictive machines that get people hooked. We are worried for our communities. These guys will talk about it. They see every day the people harmed by these. While I might be able to go into the pub and use a pokie, I don't get addicted. It is the people that are killing themselves, the people that are losing their businesses IN Tasmania, the people losing family members, falling apart and becoming homeless. I am going to be blunt. That transition needs to happen, and it needs to be supported. I wonder whether we will all look back in 10 years, if we

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do not take the chance with this licence coming up to wind it back - that we will not all look back, look around and know the people we have lost and know the damage that has been done and regret it.

Ms BEER - I think pokies are really fraud disguised as a game. It is disguised as companionship when it isn't really because you are there on your own. I think pubs are fabulous, but to go for the food and the company would be a far better thing than to go and lose the little bit of money you have in the hope you may be getting more.

Ms DAWKINS - I could suggest with 30 per cent increased visitation, somewhere like the east coast of Tasmania would be ripe to be able to find a good transition model because there has never before been more people to adapt to. Would you concur?

Ms O'DUFFY - I'm going to use a bit of my cultural background to say that in Ireland we don't have poker machines. What we do have is other forms of entertainment - music and such - and the east coast is renowned for its tourism - tourism supporting the industry to get in more local bars and encourage people to get back to what John was saying. A pub is a place where you could be socially included and not get further and further into debt and a habit that you cannot break. What would happen would be that instead of people sitting on their own, playing machines, they would be engaged in conversation, there might sing-alongs and opportunity for lots of activities that are inclusive, not exclusive.

Ms DAWKINS - Today we heard Mayor Foster of Brighton suggest that perhaps a referendum is the way to go forward. If we cannot make a decision as a parliament, then maybe we should take that question to the Tasmanian people. Would you have view on that?

Mr HOOPER - We certainly believe that the community should have a voice on this with an appropriately worded question. We are quite happy for that as long as the question is not gamed - pardon the pun - and that is probably an important thing because it is a controversial issue. The 'nanny state' thing gets thrown around a bit but so do seatbelts and so does smoking, and we have known the public health benefits that have happened. A properly informed conversation would be great and certainly we as a coalition have talked about taking the chance to ask Tasmanians.

CHAIR - We heard last week from the Tasmanian Hotels Association that in some communities they are the hub where there is no school, bank or other meeting place, and they are concerned about the gaming machines in pubs being taken out. For example, they used the example that they can provide meals because they would have chefs and cooks and enough work for seven days. If that wasn't the case, they might only be able to provide that for four days and then that becomes a slippery slope because that staff cannot survive on four days work and they may have to go elsewhere. In your discussion within some of the more isolated Neighbourhood House areas, has that been raised by people who frequent your premises or a part of the community?

Ms HARRISON - We recently held a forum with seniors in our community and asked them what they thought. They said they missed being able to go down to the local pub and have a game of darts or sitting and listening to some music. When the pokies came into the pubs, all the social stuff went out of it; it was all just about pokies. The local pub used to be the meeting place where all the social activities within the local communities happened and now that has gone; you just go and play pokies. If the pokies go out the social stuff will come back, the communities will come

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back, I'm sure of that. I know in our local, if the pokies weren't there, we'd be working in partnership and could do lots of community social things together.

Ms O'DUFFY - I can attest to what Ann is saying. In St Helens we have Tidal Waters where we regularly run sing-alongs during the day and in the evening times that are well attended. Afterwards people share a meal together and they deliberately go there because there are no pokies there so they get to socially interact with each other.

Mr HOOPER - I feel frustrated that we have to respond to that question around viability. I know that's why you're trying to canvass opinion. A business model has been built in 24 years that is dependent on that. I would say that any business adapts and adjusts. We have talked to people about concerns about who might be employed at the local pub who might term this a temporary blip, but I keep coming back to how I heard similar arguments around smoking changes in pubs and clubs and the recent history. The industry has adapted and I have been to pubs and clubs and people are still there.

I know it's an easy financial argument to make and it's easy for me to say this work is in the community sector, not the pub manager that is going to try to make a transition work, but I think for the harm it does it's not worth the cost, so other ways to create entertainment for the pub and the community can and need to happen. I'll get off my high horse.

CHAIR - That's fine, John, stay up there. In term of reference (c) of the post-2023 Hodgman Liberal Government framework, they are suggesting as part of that measure 150 EGMs, so the number goes down from 3680 to 3530, but in that framework they are not suggesting in any of the guiding principles that I can see that the clubs and pubs are not to have gaming machines. It is clearly in their line of thinking that they will be there but there will just be a reduced number. We are inviting the Premier and the Treasurer in to meet with the committee to discuss that further. Was it a bit of a surprise that even though they say that they want a clear and transparent community conversation that their structural framework for 2023 actually includes quite a significant 3500, a percentage of which is obviously at the casinos? How does Neighbourhood Houses respond to that sort of future? What do you see as the critical point? John, I might ask you to answer that.

Mr BEDLOE - Our feeling is that this is an opportunity to really look at the whole thing. It is making a whole load of assumptions, as you stated in your question, about the fact that they are in place and it is therefore assumed that we are always going to have them. We virtually asked the question right at the start, do we actually want them in our local pubs and clubs? We are not saying ban them completely, we are saying there are designated places in the casinos which are currently untaxed. Why not tax them in the casinos and restrict them to the casinos so the rest of the community knows where they are and can access them if they want to, but is not burdened with them in their local place, which as we have been talking about, is hopefully about social connection and reducing isolation?

CHAIR - What do you say to the person who says, 'This is not right. I go to the local club. I talk, I listen to the bands, and every now and again I play an electronic gaming machine and it does me no harm. I play within my means. I find it is entertaining. Some people might not, but I actually like it for 30 minutes.'? How do you make a case for that individual? There would be a number in our communities who would say that. How do you provide a case to say, 'That might be your scenario, but this is where we're coming from.'?

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Mr HOOPER - If I could answer that, we have actually just had that discussion. We have just had a regional meeting at St Helens with the communities of Beaconsfield, George Town, Ravenswood, Scottsdale, Deloraine and St Helens. We had that conversation that people were talking about, that they can, as you say, use the pokies and not be addicted to them. They will go to the pub or club to meet people. The pokies are a sideline to that. They are not going for that. They believe that while that impacts on them, the cost is too high. We keep coming back to that because while I might be able to enjoy a flutter on the pokies, I am just sick of hearing the stories from communities about it, as are they.

It is a bit about balancing the economic and social cost to Tasmania and saying that my right to a flutter on the pokies overwhelms that child growing up without a father. Sorry to be emotive, but in the end some of these choices come down to that, and particularly because they have been deliberately placed in our communities in disadvantaged areas. There is science in that as well as the addiction, and we're not very happy about it.

Ms HARRISON - When I told everyone I was coming to speak here today, it was quite interesting, a couple of them came up to me and said, 'You go and give it to them, pokies break up families'. For people in the community, it's really sad; they're really struggling.

Mr BEDLOE - I think if most people genuinely understood the full impact of poker machines they would be quite willing to forgo their own individual needs or desires for the benefit of the community. Most people who are community minded do not want to do things that will negatively affect the community. Most people do not know most of the information about the damage done by pokies. It is up to us in these forums and as a government to do that work and do that research, as I know you are doing, and then make decisions based on that.

CHAIR - We do have, as required by legislation, socio-economic impact studies that happen every three years. Another one is being held as we speak and they will be reporting back to the parliament. It was mentioned this morning that a referendum might be a good way of addressing this issue to find out what people really like in Tasmania. Is there any concern from the group? Historically Tasmanians are very conservative and very few referendums will pass in Tasmania because people tend to go back to what they know, what they understand and what they believe. So, one, a comment on whether you think a referendum is a good choice, because once you put that out there there is a chance it may not be what you want, the response; two, is there a better way, or is there another way, that we could address this throughout the state if you want more feedback? You might not have the answer for that today, but I am just putting it out there that if a referendum is to be in place there is a fair amount of risk with that as a strategy. A comment from Neighbourhood Houses?

Mr BEDLOE - I wonder if we might respond in writing to that. It is a big question that we haven't really considered, and maybe we can make some suggestions at a later time around that. Does that fit with you, John?

Mr HOOPER - Trish and I were having a little conversation there. Neighbourhood Houses do extensive community consultation and with a referendum, as you suggest, Mike, there is a danger of that not being framed well, and not being the education of the harm. Maybe we should get your electorate officers, who unfortunately just like us have people coming through the door each day to be part of the education process. It needs to be some sort of community engagement about the true cost and harm to individuals with those stories behind it that we all and you all hear

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too often that needs to be part of informing it. I do share your concerns about a referendum as a way to ask the question.

We do believe in asking the question. Unfortunately I think it needs to be something where there is a real education component to the process and a real opportunity to discuss the impacts and to hear the stories, and for there to be independent analysis around the economics of all this as well. As you have to, you're asking us those questions and in some way someone needs to dig quite deep into the economics of the pubs and clubs to answer that question in a true way.

CHAIR - We're quite happy for you to have a further discussion. The reason that I am a little bit concerned is that it was in July 2016 that the Government when they proposed this Joint Select Committee had 15 November last year as when we would report back to Parliament. They are not wanting an extensive consultation period, although now it is 30 September mainly because they need to have some answers by 2018, because that is the rolling terms for the current agreement. There are some issues there that I think it would be handy to get some other feedback from groups such as yourself, in contact with the community, about the best way to progress that.

Mr ARMSTRONG - You were saying how hotels should go back to what they used to do years ago. I come from a town where there are no poker machines. There is a bowls club that is struggling, there's an RSL club that will probably close this year and the other hotels that offer meals, entertainment and everything like that and they're not making a fortune, I can tell you. The other people who want to go and have the responsible game of keno or on a gaming machine travel out of that town to the hotels up the road, have their game of keno and on their machines, and then have a meal there. You are telling me -

Ms HARRISON - We are not saying we want to go back to the old days, but we want to go back -

Mr ARMSTRONG - Sorry, can I finish.

Ms HARRISON - Certainly.

Mr ARMSTRONG - You're saying that they can go back and have the darts. The RSL Club at Cygnet, we are talking about, has darts, it has two big snooker tables, it has 8-ball that is all virtually free and they advertise it all and yet that will probably be closed at the end of this year. People travel out of the town who want to have a game of keno or on the machines.

Ms HARRISON - Because they are missing the social side. They can go and do that on their own, but if they come back there are lots of social things we could put back into pubs that are creative and new world.

Mr ARMSTRONG - Excuse me, I am telling you these hotels, and the RSL club in particular, have it. They have women's auxiliaries, they have things there that will do things. We have held quiz nights. They just will not survive. It will be closed at the end of this year. Yet people travel out of the town to play the pokies somewhere else.

Mr HOOPER - I would probably flip that question: if the pokies weren't up the road, would people go to those pubs and clubs?

Mr ARMSTRONG - They would go to the casino.

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Mr BEDLOE - In closing, our community development model of working gives us a powerful insight into the day-to-day issues experienced by people in local communities. Our communities don't want pokies in local pubs and clubs. At this important opportunity, the Government is well placed to lead a significant change in Tasmania, and Australia. Will Tasmania continue to be hostage to the interests of a small group of business people or will we make policy decisions based on the best interests of the whole community? We would like to thank the committee for the opportunity to answer questions and to speak to our submission. We look forward to the outcomes that support the whole community.

CHAIR - Thank you all for your contribution today.

THE WITNESSES WITHDREW.

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Mr NOEL MUNDY, STATE DIRECTOR, MISSION AUSTRALIA, AND **Ms JOANNA SIEJKA**, CHIEF EXECUTIVE OFFICER, YOUTH NETWORK OF TASMANIA, WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED.

CHAIR (Mr Gaffney) - Welcome, Noel and Joanna. Anything you say in the hearing has parliamentary privilege but once outside the parliament it does not. This hearing is being recorded and the Hansard version will go on the committee's website when it becomes available. If there is anything you want to say in camera, that can be arranged.

Mr MUNDY - This is an extremely important time for Tasmanians. I trust that my feedback will assist you in your final deliberations and recommendations. Mission Australia is a national organisation working in the community services space. We employ more than 3000 people nationally and approximately 2500 volunteers work with us each year. Our main areas of work are in children and families, mental health, homelessness and housing, and youth work. In Tasmania we employ almost 200 staff across the state. We deliver a whole range of services that work with vulnerable people in disadvantaged communities. We have seen the impacts of poker machines and how that significantly leads to disadvantage and breakdown. Mission Australia is also an active member of the Community Voice on Pokies Reform.

In our submission we basically focused on the first terms of reference, which is the consideration of community attitudes and aspirations relating to the gambling industry in Tasmania with particular focus on the location, number and type of poker machines in the state. I would like to briefly highlight a few major points of our submission.

Mission Australia is concerned about the impact of problem gambling on the individuals and communities and has consistently called on governments to take action. Our submission focused on the effects of poker machines and the lives of our clients to demonstrate that gambling can have far-reaching negative consequences not only on the lives of people directly affected but also for their families and their communities. Recent research by Anglicare Tasmania found that of 84 per cent of Tasmanians surveyed that the Tasmanian community does not benefit from having poker machines in clubs and hotels. Research also found that one in three Tasmanians personally know someone who has experienced serious problems with gambling on poker machines. These numbers are an important indication to government that community attitudes to poker machines in Tasmania is highly unfavourable.

Mission Australia supports the recommendations of the Community Voice on Pokies Reform coalition: removing poker machines from hotels and clubs; not increasing the number of poker machines in casinos; to impose on machines in casinos a maximum \$1 bet limit; and a system that requires people to set an enforceable limit on their losses. Further, for it to be mandatory for staff to intervene where customers may be experiencing harm from poker machines. Continued counselling and other support services for those harmed by gambling and the final recommendation support hotels and clubs that currently have poker machines to transition to their business model.

As illustrated in our case study set out in our submission, gambling can be used by vulnerable people as a coping strategy for dealing with problems and distress. This study also illustrates that gambling disproportionately affects people experiencing disadvantage - such as unemployment, low income and social isolation - which the gambling industry takes advantage of by concentrating poker machines in areas of disadvantage.

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Mission Australia knows from our service experience that those who are problem gamblers are being exposed to those machines regularly and not only experiencing financial crisis but also a range of other concerns including relationship breakdown, homelessness and depression. It is often used by vulnerable people as a coping strategy for dealing with problems and distress and can cause many disruptions in their lives including psychological, physical, spiritual, social and vocational problems.

Ms SIEJKA - I am CEO of the Youth Network of Tasmania, YNOT, the peak body for the youth sector and young people aged 12 to 25 in Tasmania. Our vision is to make sure all young people are actively engaged in the community and have access to the resources they need to develop their potential. We have input into and respond to policy direction and advocate for the youth sector and young people. We are an expert in consulting with young people and in youth issues. Integral to our work is the youth participation structure known as Tasmanian Youth Forum. Through this, we have consulted with thousands of young people about many issues including education, employment, mental health, voting, housing and homelessness. We know through these consultations that young people have an awareness of their community and how their life is impacted by their context and early on. For example, they are aware of the stigma attached to issues such as mental health and homelessness and are aware of the whole-of-community response needed to address them.

It is important to keep this in mind while discussing the issue of gambling. Today I would like to highlight to you the concerns YNOT has about the way young people are impacted by problem gambling behaviours. We know that gambling can be a social activity and that the majority of young people in Australia participate in some form of gambling before they turn 18. However, young people are predisposed to risk-taking behaviours due to their developmental stage. This is frequently noted as a risk factor for problem gambling. Young people do not just experience gambling from a distance; it is increasingly a part of everyday life for young people. They see gambling everywhere; in sport, advertising, online games, social media, and in the behaviours of those around them, such as through pokies.

Research indicates eight out of 10 teenagers have participated in some form of gambling. It is estimated that five per cent of young people who gamble have problem gambling behaviours. As Noel previously mentioned, problem gambling behaviours are linked to financial crisis, relationship breakdown, homelessness and mental health issues.

Problem gambling behaviour also affects young people if they have a family member who has a gambling problem. Young people, particularly those still living at home and under the age of 18, often have to live with the consequences of problem gambling from family members, such as financial difficulty, homelessness and family breakdown.

People whose fathers were problem gamblers are more than 10 times as likely to become problem gamblers themselves. According to Mission Australia's 2016 Youth Survey, which is a national survey of young people, gambling was a major concern for 5.4 per cent of young people in Tasmania. That is slightly higher than our national counterparts, at 4.4 per cent.

Young people from lower socio-economic backgrounds were also more likely to be concerned about this issue. This is not surprising, given there is a strong relationship between gambling addiction, poor mental health and dysfunctional family relationships. Our most vulnerable young people are those who are most affected by this issue. YNOT is a member of the

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community voice on pokies reform coalition, and we support the recommendations of Community Voice and Pokies Reform Coalition, as outlined by Noel earlier. Thank you again for your time.

Ms RATTRAY - Joanna, seeing you have just finished and you have talked about young people, we have heard online gaming is an area young people particularly seem to be drawn to, and that is increasing. Do you have any thoughts on whether people might transition from one form of gaming to another, given that there is that increase in online gaming? Do you have any comment?

Ms SIEJKA - I am not an expert in gaming and gambling. I certainly will not say that, but what I do know is what young people have told us and what they say. From the research I have read as well, gambling as an issue is increasingly normalised because of the accessibility young people have. As a statistic, it shows young people are able to gamble regardless of their age because of their access online. It is normalised in their life. When they are older, it is my opinion and the opinion of others I have spoken to, it is much more likely that it is normalised, and therefore they will engage much more readily.

Ms COURTNEY - You talked about the accessibility of gaming. Could it be argued that, given the prevalence of other forms of gaming or gambling that do not have restrictions around participation - whether it is online racing or some of the other online portals that go to other places and do not have restrictions on using credit cards and these kinds of things - do you think a government is wiser to spend its time and effort looking at those unregulated markets, rather than gaming machines, particularly when the evidence shows the use of gaming machines is declining? We have heard a lot of anecdotal evidence it is older people that use gaming machines.

Ms SIEJKA - The impact on young people, though, and the impact of pokie machines on the wider community - I think when we weigh up, where do you put your effort with any particular social concern, you have to take into account how you create a solution that meets all of the community's needs. Young people are still affected by other people using poker machines. There are young people using poker machines. Yes, it would be fantastic for the Government to also focus on addressing young people's online gambling use, but also I think we are not in a situation where we can afford, socially and economically, to not address the effects of pokies on young people and other members of our community.

Ms RATTRAY - Noel, we had some evidence last week around the value of clubs in our communities. It was suggested clubs should be able to continue to provide pokies in their communities, because they provide bowling greens, golf courses and the like. Do you have a comment on taking them out of pubs, but leave them in clubs because of their value to a community? Is that something your organisation has considered?

Mr MUNDY - Certainly, and as stated, our recommendations are to remove from both pubs and clubs.

Ms RATTRAY - I see that.

Mr MUNDY - My understanding is that there are very, very few clubs in Tasmania.

Ms RATTRAY - There are nine, I believe.

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Mr MUNDY - They are predominantly RSLs, from my understanding. If I could pick up a question that Robert asked a previous group around local communities. I grew up on a farm at Southport in the southern part of Tassie and went to Dover Area School. Things have changed a lot since then, and 50 years ago last year we remembered the bushfires and their devastating effect. Things have changed in those local communities. From my involvement in a range of sporting clubs over the years, and none of them have had poker machines - and I agree that things are tight, particularly in rural communities - but we are seeing the breakdown of those rural communities right across the state. One of the things affecting them is the impact of poker machines and gambling.

Local communities have to transition and they have over the years, and certainly Southport where I grew up is completely different, and the Dover area, which is now Dover District School, is completely different. I think one of the things we were very keen on in our recommendations was to work on that transition plan for hotels and clubs.

Ms RATTRAY - There wouldn't be any relaxation around clubs, in your view?

Mr MUNDY - I don't think we have the evidence there is enough of them that are putting back into the community now.

Ms RATTRAY - If poker machines were to remain in pubs and clubs, or just clubs, do you have any view about what extra regulations or regulatory measures needed in place to assist the community? Do you have a view on that?

Mr MUNDY - I think there are a couple of things in our recommendations around the \$1 bet limit, to slow down the speed in which people can lose money. The other one is around some kind of intervention when they see a problem gambler, so training for the staff to intervene with those people and to provide support or referral to some other areas.

Ms RATTRAY - It has already been suggested that the Responsible Serving of Alcohol obligations should - there is no penalty now for someone who doesn't report someone who they think may have a problem gambling issue.

Mr MUNDY - That's a really good example, the Responsible Serving of Alcohol. There are very tight guidelines around what a hotelier can or cannot do and that should be the same for poker machines.

Ms DAWKINS - I think you touched on mandatory pre-commitment in your initial discussion. From gaming technologies, from people who make them, they say people don't want them, and they've never entered into any sort of discussion around pre-commitment. Do you think in a worse case of scenario, if the status quo stays as it is, we should put pressure on Federal to allow for mandatory pre-commitment on every machine for every player?

Mr MUNDY - Yes, I do.

Ms DAWKINS - Would that at least go some way to satisfying some of the issues, or do you think it would just be a piecemeal attempt to rectify some of the harms?

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Mr MUNDY - There is not a lot of research into what the difference would be in potential losses, but anything that could do that - to limit losses by local Tasmanians - has to be something that needs to be looked at.

Mr BACON - When you talk about a transition for pubs and clubs, are you talking about financial assistance?

Mr MUNDY - My first thoughts around that was a business plan transition model, working with them about what other activities they could do with their local communities or how they could transition to retain their staffing and their business levels. The issue around financial consideration hasn't come into my thinking but may form part of the recommendations.

Ms COURTNEY - I am interested in the cohort of people you represent. Do you do broad surveys into working out a hierarchy of concerns for young people? I know you do work with identified issues such as homelessness and do a great deal of quantitative and qualitative work around that. If I were to stop a young person on the street and ask about their concerns - employment, homelessness and other issues they are facing - do you have a sense of where gaming or gambling would be on that?

Ms SIEJKA - Occasionally we do surveys, generally around election time, to look at what the major issues are amongst young people more broadly. Each year Mission Australia does a broad-scale Australia-wide survey and breaks it down to state and jurisdiction. That has very good engagement in Tasmania and we are part of the push to get young people to respond to that. One of the statistics I mentioned was that young people reported a slightly higher response rate in saying it was a major concern amongst issues and lower socioeconomic young people in Tasmania were more concerned than other young people.

Generally, I think we would all be surprised just how much young people connect with issues and understand them. When we have our forums and discuss these issues, they always inspire and amaze me by how well they are able to connect quite complex issues in their own language and ways. Sometimes it takes a whole day. Take the issue of homelessness or family violence, for example. They are more than capable of being able to see how other things such as employment, education, health, family socio-economic status and all those sorts of things contribute it and how they can help with solutions as well. I don't think gambling and access to poker machines in communities would be any different. They have a very good ability and awareness of how these things work. Often they know the right answers but do not necessarily do the right thing - like all of us.

Ms RATTRAY - Noel, going back to the \$1 bet limit, I have wondered whether that keeps people at a venue longer because it takes longer to play a game. Is that something you've had a discussion about or have any information about?

Mr MUNDY - No, we haven't had any discussion on that. It comes back to that other issue I talked about, intervening and the responsible serving of gambling. Say if someone is spending a considerable amount of time sitting in front of a machine, that's when it should be intervened. The \$1 bet limit lengthens that time but also strengthens the opportunity for someone to intervene, so I think that's an advantage.

CHAIR - What funding does Mission Australia get from the Tasmanian government through the community support levy to address some of these issues?

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Mr MUNDY - We don't receive funding through the community support levy. A fair percentage of our funding in Tasmania comes through the Department of Health and Human Services. We run the Gateway services in the north-west coast of Tasmania and the south-east, which also has a family support component. The way we operate that as an organisation is we fund nine local organisations across the state, from the west coast councils, local government, to Neighbourhood Houses and the Hobart City Mission. There is a whole range working in the local communities. Through our family support work we do that's where we are picking up the issues around problem gambling. We are talking to families about why their children are not going to school or are going to school but with no lunch or appropriate clothing, or why there is a separation or breakdown in the family. In most cases you can trace it back in the families that we deal with and I think the last I looked it was 350 families on any one day across the state. Gambling is affecting those people.

CHAIR - It is a fairly complex and intricate web. When you get down to the nub of it there is not enough money to provide for their child or whatever and then, once you have peeled that back, it is because they have possibly wasted some of that finance at the local gaming venue.

Mr MUNDY - Correct.

CHAIR - I am not going to ask if there have been any longitudinal studies, but is there any anecdotal evidence within your organisation or are you aware where you believe that has been the case for 15 years, or is it rising or decreasing? I am wondering about how you see that across the board.

Mr MUNDY - Mission Australia has been in Tasmania since 1998, so 18-odd years. During that time we ran some family support programs that were not going into the depth that we are now but certainly in the last 10 years we are seeing gambling becoming more of an issue, particularly in local communities. A lot of our work on the north-west coast is done in small local communities and similarly in the south-east of the state and that is where we are seeing issues.

Mr BACON - Is it pokies specifically, rather than gaming?

Mr MUNDY - Yes, predominantly, and again our case study is representation of that, where a lady let her children go off to school, then evidently went to the local pub to play poker machines and then there wasn't food for a meal that night. That is what we're saying and predominantly it is poker machines.

CHAIR - I have been to the Youth Network conferences and you have another one coming up this year.

Ms SIEKA - We have a conference in June and then we will have another forum as well.

CHAIR - It would be particularly helpful to provide us information if there was some sort of discussion about it. I know that you look at different parts of young people's lives in different conferences. It might be helpful at the moment if there could be a session on gaming or gambling. It would be interesting to hear how many of our young people are gambling on the internet, how many are focused on sports betting - that sort of information which you tend to get out of the conference which is more than a young person doing something online or filling in a

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form because that is inevitably not going to happen, but in an environment where they are contributing to a conference discussion, they may be more likely to.

Ms SIEKA - They do, they say a lot more. I can certainly see if I can find the information but a couple of years ago there was a good piece of project work. A youth worker did some work with some young people about addressing gambling and pokies and the motivations for young people but also asked a lot of questions around what activities they engaged in. I will see if I can find that as well.

CHAIR - If you could, anything like that would be helpful for the committee as we understand some of those issues.

Mr MUNDY - I believe there are not many times when we can all come together to effect change that may not impact next week or next year, or in three or four years time, but this is an opportunity to listen to the voices of Tasmanians. As I say, 84 per cent of the people surveyed said that poker machines do not belong in pubs and clubs. Leadership in the community is something we are really lacking - the breakdown of community - and I think this is an opportunity for this committee to make recommendations that will really have an impact for decades to come, not just for next week or next year. I thank you for the opportunity and I wish you well in your deliberations but I think this is a really critical point in the life of Tasmanians.

CHAIR - Thank you both for presenting today.

THE WITNESSES WITHDREW.

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Mr STEPHEN BAXTER, PASTOR, HOBART BAPTIST CHURCH, MEMBER, MISSION LEADERSHIP TEAM OF TASMANIAN BAPTISTS, AND **Mr ERIC LOCKETT**, PUBLIC QUESTIONS OFFICE, TASMANIAN BAPTIST CHURCHES, WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED.

CHAIR - Welcome. Evidence given in this hearing has parliamentary privilege, but once you are outside the committee room, it does not. We will be putting the *Hansard* on the website as soon as it is available. If you have anything that you want to say in camera, we can arrange that, but usually in these sorts of hearings that is not the case.

Mr BAXTER - We represent 30 different churches across our state. On any given Sunday, that would represent about 1200 people. Because people only come now and then these days to church, that can represent anything up to 3000 people who would be regular attendees, that is people who would come once a month. Within the network, that would extend probably from 5000 to 12 000 people, depending on how loosely or how tightly you would describe them.

Our main concern here is the effect that it is having on our communities. We experience that face-to-face with some of the people that we deal with coming to us looking for a handout, tapping on the door of the church and saying they need some food. Often they will want the money, but you often take them around to the local supermarket and buy them food so they do not go and gamble it again.

That is my personal experience. One of our pastors when he was growing up as a child, remembers to this day being left in the car after school in the car park of the casino while his mum went and spent the next few hours gambling. I am not saying everyone has those issues, but there are people in our society and our community that do face those problems. We see them firsthand in our churches looking for a handout in some shape or form. We are really pleased that as a government we are looking at the effect of this on our communities because we experience it and know that it happens on a day-by-day, week-by-week basis. I can share more about that later if we need to.

Mr LOCKETT - Firstly, I do not want to swamp you with statistics. You have probably heard them all before, but I would like to remind you of three facts that are really beyond dispute. Although they make up a small proportion of the total population, thousands of Tasmanians are problem gamblers and this is largely due to EGMs more than pokies. The take from problem gamblers is grossly disproportionate to their numbers. Furthermore, each problem gambler has an adverse effect on the community, well beyond themselves and their own families. I am sure you have heard a bit about those effects. The ultimate outcome is a great deal of misery, of which the community is well aware.

The industry says they are merely meeting a demand for entertainment but a seat at a Tasmanian EGM can cost more per hour than, say, one from an Olympic games opening ceremony or a renowned performance at one of the world's great concert houses. Those who repeatedly spend hours before an EGM are clearly not there for the value of its entertainment. If you have ever walked through a gaming area, it is obvious they aren't there to socialise either. They are there because they can't help themselves. For some, EGMs are clearly a dangerous and addictive product. The gaming industry employs psychologists to advise them how to get vulnerable people hooked and entice them back, and statisticians to devise programs to implement those strategies. Imagine the outcome if a pharmaceutical industry was found to be devising ways to promote addiction to their drugs. Hence, governments have a clear responsibility to better

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regulate this dangerous product. To be fair, some advances have been made in recent years but the most recent social and economic impact study shows they have essentially amounted to fiddling around the edges of the problem.

We believe there has never been a more opportune time than this to make significant changes to the regulation of the industry; changes that will have a substantial impact on problem gambling. The community has made it very clear that that is what it wants. What then are the changes needed? In preparing this submission, I was struck by the level of agreement between what independent experts have been saying and what gamblers themselves said when they were interviewed for the most recent SEIS. They agreed on three types of measures as the most effective: measures to reduce the accessibility of EGMs, such as removing them from clubs and pubs; measures to reduce the rate of losses, such as imposing the \$1 bet limit; and measures to give control of those losses back to the players, such as requiring mandatory precommitment. Those are exactly the measures that we, along with Community Voice on Pokies Reform, have proposed in our submission, as well as reducing the licence duration from an excessive 15 years to 10 years. The community recognises that a licence to run a pharmacy, fly a plane or drive a car is a privilege not a right. There must be strict constraints on the granting of such licences, otherwise their products may cause incalculable harm, which can stretch well beyond their users to affect the community at large. We believe the same is true of EGMs, except that they provide nothing like the benefits that cars and pharmaceuticals do. We urge this committee to listen to the voice of the community and seize the opportunity to recommend our proposals to the Government in order to help vulnerable problem gamblers to help themselves.

Ms COURTNEY - I would like to ask you a bit more about the mandatory precommitment. We have had some people talk about voluntary pre-commitments. I was wondering, from your perspective, is voluntary precommitment something you would advocate for, or would you see mandatory pre-commitment being the only scenario?

Mr LOCKETT - It depends a bit on what you mean by voluntary pre-commitment, I guess. If a problem gambler can back out of voluntary pre-commitment when he feels the urge to gamble, then it is likely to be ineffective. I think the most effective way to achieve it is to make it mandatory, although I think we would be open to listening to any other proposals that came forward.

Ms COURTNEY - The evidence that we heard was in other states some of the voluntary pre-commitment technology meant that somebody who felt that they may not have the ability to stop could come in and make the voluntary pre-commitment. By not being able to gamble on that machine any more - having to stand up and walk away effectively - often breaks the cycle. That was the evidence and I would like to hear your opinion on that.

Mr BAXTER - I think it depends on where the person is on their journey. Some people are addicted and not aware of it. That would not help them. It is the people who may be on the way towards healthiness or are aware of it for whom that would work.

Ms COURTNEY - That could help.

Mr BAXTER - It depends on who you are aiming at, I think.

Ms COURTNEY - You also say in your summary recommendations, number 4, that current support services for gambling victims be maintained. Where should that money come from? At

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the moment the CSL comes from the gross profits of the gaming machines and 4 per cent of the gaming machines are in the hotels and clubs. If we are removing those, we are removing the CSL; in maintaining the funding where is that money coming from?

Mr LOCKETT - It is certainly coming from pokies in the casinos.

Ms COURTNEY - The CSL is not applicable to those.

Mr LOCKETT - No, but we're arguing that it should be.

Ms COURTNEY - By putting the CSL on just the ones in the casinos?

Mr LOCKETT - I think that would largely replace what is currently received from the clubs and pubs, would it not? I may be corrected on this. We would have to check on the figures.

Ms COURTNEY - In terms of revenue that would be lost; we would have lots of conversations around revenue that would be lost to the government. If we were to remove EGMs from hotels and clubs, that would be an impact. We have had various views on how significant that impact would be. Particularly with your submission, you talk about a transition period, on page 7, a five-year transition period as we get rid of pokies in hotels and clubs, I guess the funding from that from general government reserves? I am just trying to tease out how we can pay for it..

Mr BAXTER - That is one. The other assumption is that gambling will decrease. If you take the pokies away it will gradually decrease so you will need less in the community. Yes, we might need some upfront, but the idea is that it would decrease the amount of need for that money.

Ms COURTNEY - So we don't need to maintain that over a long period of time?

Mr BAXTER - If they are still going to be in the casinos, you still will. It will cost people.

Ms COURTNEY - I want to ask you about the five-year transition period. Have you based that suggestion on conversations with any clubs or organisations? I just want to get a sense of how you came to that five-year transition period?

Mr LOCKETT - No, I can't say we've actually discussed that with clubs directly, although we have literally heard comments from people involved. It just seemed like a reasonable figure to us. If you have adequate warning, then five years should be sufficient time to rearrange your business model and ensure your ongoing viability.

Ms COURTNEY - The last question I have to ask you is about the licence terms and durations. It is suggested that the 15 years with an option of five years in the past has been too long. I am assuming here we are going to be talking on your assumptions that we are taking them out of hotels and clubs; if we're looking at licences within casinos, what do you think the most appropriate length is? You've talked about five years again. I'm just trying to get the basis of it, because we've had industry come in and talk about perpetual licences and I'm trying to work out where you're coming from with that.

Mr LOCKETT - Well, I don't get a perpetual drivers licence and I don't know of any other licences that are granted in perpetuity. It's a privilege that can be withdrawn, and I think the same

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applies here, but in a 15-year term a lot can change. I think it's just too long, really, which is why we have proposed it be reduced to 10 years with an opportunity to review it after five. There may be some new developments or the industry may have come up with some new strategy that is having a devastating effect and the government of the day may wish to say, 'If you want to continue with your licence you have to do things a bit differently', and then it would be up to the licence-holder to decide whether they were willing to do that.

Ms RATTRAY - In relation to the statement you made about hiring a psychologist, I'm interested in where you got that information that works out how to draw people in, if you like.

Mr LOCKETT - Some members of the committee have probably seen the film *Ka-Ching!*, which was shown on television. That made reference to it, and I have also seen written documentation of advice from psychologists to the people in the industry -

Ms RATTRAY - How to draw people in and get them to stay there.

Mr LOCKETT - Yes.

CHAIR - I was really impressed with your submission when you pulled apart each of the terms of reference, even down to the guiding principles. I want to refer to guiding principle (3) for you to comment on. It states that the financial rewards from the gaming industry should be shared appropriately among the industry players and the government representing the community. That's interesting, because it's framed in such a way that you think there's an equal share of the reward to the industry, government and the player, but all of the reward that goes to government and the industry comes from forfeiture of funding from the player.

Mr LOCKETT - Exactly.

CHAIR - Could you expand on that a bit more? You say that frequent players are unlikely to reap any financial reward at all, they just carry the cost.

Mr LOCKETT - I am not sure that enough people appreciate that the longer you play, the more likely you are to finish in the red, hence it seemed a bit incongruous when I read that guiding principle that the financial rewards should be shared by the players. Maybe a very rare occasional player might hit the jackpot and then stop playing, but that would be a very rare event. The long-term players are almost certain to finish up in the red.

CHAIR - Because the machines are so designed that there is not an appropriate share. If you mention three groups people immediately think one-third, one-third and one-third, but it's not even close to that. That is one of the reasons we're inviting the Premier and Treasurer back to the committee to talk about the guiding principles and their reasoning behind them.

Mr BAXTER - It is interesting advocacy to say that maybe 33 per cent should go back to problem gamblers. It's a ridiculous statement, and I am aware of that, but if it was an equal share where is it going to go back? Maybe 33 per cent of it should be going back into our communities in some shape or form. Personally I would like to see none of it going back and that we don't have pokies at all.

CHAIR - In your submission and others we have received we have had some comment that it is good the Government is looking forward to the future and that this is an opportunity. The

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Government has said it wants a community conversation, even though the committee has parliamentary standing orders where it is more than just carrying on a conversation. Did it surprise you that the Government has come to a 2023 position that still has EGMs fully focused and entrenched? In one statement I think it said it has become 'part of the community fabric'. Do you believe that to be a true assessment of EGMs in particular? The example was raised today of the race that stops a nation, the Melbourne Cup, and that sort of form of gambling. If we are specifically looking at EGMs, do you think it is part of our society? Is it a part of our fabric we can't get rid of?

Mr LOCKETT - My personal opinion is that for the occasional non-problem gambler it wouldn't be greatly missed. In fact the evidence from many people in clubs and pubs - and clubs particularly - is that they would rather not have them because they're antisocial. I don't think it is an essential part of our fabric at all. It might be almost ubiquitous but I don't think it is essential in any way.

Mr BAXTER - It was surprising that it didn't seem to take an opportunity to change much, just tinker at the edges rather than looking at the real problems and saying, 'Is this ultimately a solution to some of the community issues or is it part of the reason we're finding the disintegration?', and not even addressing those two questions. What we are saying is that despite the money it does put back into the community it is actually taking more out of the community and is part of the disintegration of the community rather than the solution to building it. That is where I was disappointed, that it didn't seem to suggest or want to even look at those questions as to what is best for our local communities.

CHAIR - In your community there would be people who would say, 'Hang on, I gamble responsibly. I go to the pub with my family. We have a meal and sit down and chat. We spent 20 minutes on the pokies. It's a bit of fun and we don't blow our budget.' They see it as part of their night out and might ask why it has to change just because some people can't control their addiction? How do you put another case about the greater good?

Mr LOCKETT - If, for example, we said we're not going to allow anyone a driver's licence because some people don't drive responsibly, that would be seen as ridiculous. In this case, what are people giving up in order to make it easier for people who are potentially subject to problem gambling to control their gambling? The answer is very little really. It just means if they want to occasionally have a gamble on the pokies they have to go to a casino, but that is a very small sacrifice to make. I have said this before, but I believe one of the measures of a civilised society is our willingness to make a small sacrifice in order that others might be spared great suffering, and I hope ours is a civilised society.

Mr BAXTER - You pinched my point. My daughter went to Argentina for a year and she was really surprised that when people came up to a roundabout they didn't go around the roundabout the way everyone went; they took the short cut and they went to shortest route and that created havoc in their community. She came back and said, 'I am just amazed how in Australia we just follow the rules'. Why? - because that works best for everyone. Not everyone likes having to go the long way around a roundabout; some people like going the shortcut, but you all go one way, for good of everyone. It is the same idea that Eric is saying. Sometimes for a community we say, 'For the sake of these people who are vulnerable, we, as a community, will sacrifice this'. The question is, is this a big enough sacrifice for the sake of those people? I guess that is the moral and ethical dilemma the Government faces.

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Ms RATTRAY - Do you think a referendum could deliver that answer?

Mr BAXTER - That is a good question. I don't know if it could, because ultimately we ask our representatives to sit around tables like this and hear all the evidence, do all the hard work and we trust you to come up with good answers. That is why we elect you, that is my personal opinion. I am not speaking for Tasmanian Baptist Churches, but my personal opinion would be that is what we ask you to do.

CHAIR - Thank you for that. I do not think there would be one of us that would sit here and say that, through this submission and the hearing process, we have not learnt a lot more to make us more informed. That is the issue I, perhaps, personally have with referendums sometimes. People vote on things when they are not cognisant of all the issues, the relationships and the facts. Sometimes they are making decisions without that knowledge base. That is a question for another time. Thank you very much for presenting us with your submission.

THE WITNESSES WITHDREW.

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Mr MARK BROWN, TASMANIAN DIRECTOR, AUSTRALIAN CHRISTIAN LOBBY, WAS CALLED, MADE THE STATUTORY DECLARATION, AND WAS EXAMINED.

CHAIR - Welcome. All evidence taken in here has parliamentary privilege, but once outside you are not afforded that. The evidence you present is being recorded and will go onto the website as soon as it is available.

Mr BROWN - As per our submission, the Australian Christian Lobby is most focused on the terms of reference that are relating specifically to poker machines. I would like to begin my contribution by just sharing a personal story. I think you will see that this story highlights some of the hidden costs associated with the use of electronic gaming machines. My friend - I will call him Joe, not his real name - one day thought he would have a go at the poker machines at his local hotel. It was something that was a very rare thing for him to do. It didn't take long for him to become seriously seduced by that machine and he conveyed to me at a later date that he honestly thought that he was going to win the jackpot. He was convinced. When he ran out of money he basically wanted to get hold of money as soon as he could. He ran outside and he didn't want to lose his spot on the machine and he grabbed the nearest money that he could find. Sadly, that money was in a handbag and he ended up in trouble with the law and spending a number of years in jail. The cost to the state simply from that time in jail was in the order of \$250 000.

There are thousands of Tasmanians from all walks of life who, like Joe, find it very difficult, or near impossible, to stop and walk away from pokies. That is because the machines are uniquely and specifically designed to stop people from walking away. The manufacturers and designers produce them to addict people. In my mind that is totally unacceptable and it is the reason that I am here today, along with so many others, who are advocating for reform.

As you are aware, Peter Gutwein set the stage for the inquiry with these comments in his ministerial statement in March last year where he gave some guiding principles about this inquiry. He said:

Our first guiding principle is that gambling is a lawful form of entertainment for many Tasmanians and a wide range of gaming products should be available to consumers that are fair and which provide an acceptable average return to players.

Anyone who understands a little about the workings of the poker machines knows that they are not fair. Because of this fact there is no way that they can, in reality, provide an acceptable return to players. Pokies cause the highest losses of all forms of gambling and nearly half of their takings come from the problem or moderate risk gamblers.

Some of you would be aware that last year, in partnership with the Alliance for Gambling Reform and Looking Glass Pictures, we hosted a parliamentary screening of the powerful documentary *Ka-Ching! Pokie Nation*. This was screened at least a couple of times on the ABC in subsequent months. I know that some of you came to see that in Parliament. Those who have seen it cannot but be horrified at the admission of the poker machine designers and programmers. In this documentary they shamefully acknowledge their clever techniques such as near misses, false wins, alluring sounds, flashing lights, which are all used to deliberately entice people to stay and play longer and harder. As one designer put it, 'to fleece people of their money'.

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World leading neuroscientists in the doco explained how the brain responds to such stimuli in exactly the same way as it does to hard drugs, hence why pokies are dubbed the crack cocaine of gambling. This unfair, and as one designer described it, unlawful hypnosis is one of the reasons why a Federal Court class action has been initiated by the Alliance for Gambling Reform, which ACL is a part of. It is highlighting under consumer law the deliberately deceptive and misleading nature of the so-called business. As you can imagine, the ramifications if they won that case would be immense.

With or without a legal ruling, electronic gaming machines are unfair and because of this fact poker machines are tearing apart thousands of lives of Tasmanian families. Research has proven that pokies are responsible for increased levels of family violence, break-ups, mental health and suicide, the very things the state Government is working so hard to reduce.

The one governing, overriding central key to the whole issue, as we know, is money, the revenue that these machines make for those they serve, namely the licence holders - in this case, the Federal Group - venue owners and, of course, the state government.

When I think of this scenario I am reminded of a similar situation in England around the turn of the nineteenth century. A social campaigner and parliamentarian named William Wilberforce fought for over 40 years to abolish slavery in the sugar plantations of the British colonies and one of the greatest obstacles he faced was this issue of money. In his desire to outlaw the evil of slavery, money was a significant problem because of the revenue stream the industry generated. The good news for Tasmania, as we have heard even as early as Sunday, is that we are in an unprecedented position financially to reduce the income stream from pokie revenue. With the budget likely to be back in the black this year through reduced spending, increased revenues and a strengthening economy, this is an opportune time to wean the state off pokie revenues. However, no amount of money is worth subjecting our communities to increased levels of family violence, family break-ups, mental health and suicide.

A possible answer which has been mooted for many years, as you would be aware, is the introduction of \$1 bet limits. Of course there are other ways to help, but the \$1 bet limit is the most simple and straightforward. A \$1 bet limit introduced to Tasmanian pokies will reduce serious gamers losses by up to 80 per cent. Recreational punters would still be able to have their entertainment, as per Mr Gutwein's number one guiding principle, but we acknowledge that there may be negative effects for the likes of the Federal Group, pubs, clubs and the state Government. We understand the arguments they have posed about the flow-on effects to the Tasmanian economy and to communities, but how can monetary gain be justification for causing another's misery and pain?

Tasmanians do not believe there is such justification. Time and again, eight out of 10 Tasmanians have told researchers that we do not believe pokies provide a net benefit to our communities, so why have we not seen major reform to this point? I believe that, unlike the British parliament of the early 1800s, our lack of significant action on pokies is not through a lack of conscience but a lack of political courage. The fears of harm to the economy, threats of voter backlashes or reduction in new capital expenditure projects have long been effective tools used to deter governments from potential major reform in this area.

Our community, however, continues to ask for significant change, as evidenced by the number of submissions focused on this issue and the number of groups aligned in this common cause. I can think of no other issue that has brought together such truly diverse community

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groups, all in opposition to the pain and misery that these machines have caused to Joe and thousands like him in our communities.

As I mentioned, ACL is part of the National Alliance for Gambling Reform, which is made up of 60 very diverse organisations. You have already heard from Community Voice on Pokies Reform which has nearly 50 members locally campaigning for change. On what other issues is ACL standing with organisations like the Greens and GetUp!? The community support for this serious reform on pokies, I believe, is astounding.

The Tasmanian Government, right now, has the unique opportunity to reshape the landscape in relation to the number, location and the use of poker machines in our communities, and it can be an example to the rest of the nation of a leadership that puts the welfare of people first. It is my hope and prayer that for the sake of people like my friend Joe 2017 will be a year when such vital commitments are finally secured.

Mr ARMSTRONG - Mark, in your submission you said you believed that the employment is virtually neutral through the poker machine industry, but we have heard from hoteliers and people in the hotel industry that it is not just the machines they get employment out of. One hotelier told us that he supplies meals; I know it was seven days a week but I do not know how many hours a day. He said that if he didn't have poker machines there wouldn't be any meals probably two to three days a week, I think he said. What are your comments on that? There is the cleaning, the meals, so there is a flow-on effect. I am interested to see what you think about that.

Mr BROWN - In states like WA that do not have pokies in clubs and pubs obviously they have a business plan that is able to cope with that. Twenty years ago clubs and pubs here did not have poker machines in them so they must have been able to run at a profit to make their business plan work. I suppose the fact is that there are always going to be challenges for any business, whether it is competition or a change in the market, for instance, a Big W turning up in town or a Spotlight whatever. There are always challenges in business to have to adapt a business plan to remain competitive.

We believe the cost that is required to make those changes needs to be weighed against the weight the vulnerable in our community are bearing because of having these machines so close at hand. When you consider the amount, whether it is 40 per cent of income being generated through problem gamblers or the 60 per cent of income that comes through problem and moderate-risk gamblers, that is a significant amount of income as a percentage of the money that the poker machines generate. You're really weighing the misery and the pain that a significant amount of Tasmanians are experiencing against whether a business can adapt to changing market conditions.

Mr ARMSTRONG - We're probably looking at two different states here with Western Australia having a completely different set-up and somebody told me that with the mining industry boom and everything over there it was different people who went to the hotels to socialise and drink and things. Anyhow, that is fine.

Mr BROWN - That has all changed too, Rob, hasn't it?

Mr ARMSTRONG - It has now. Regarding the maximum \$1 bets and decreasing jackpot amounts and frequencies and increasing the time between each button spin, we have been told it is a three-second spin here in Tasmania but it would taken between five and six seconds for a person

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to push those spins because of the free spins and by the time the game stops they say it is out to five to six seconds, I think it was.

Mr BACON - We were also told they are the slowest spin rates in the world but we can't get anyone to verify that.

Mr BROWN - All I know and what I have read is that if someone is a regular gambler they are able to play at the three-second limit, at that maximum. I suppose for the average person who is not familiar and does not spend hours on a machine it may stretch out to six seconds but certainly that difference is very significant because obviously if you are playing at a three seconds versus a six seconds then you can lose twice as much twice as quickly. The \$1 bet limit is obviously reducing the potential losses from \$5 to \$1, so that is an 80 per cent reduction if someone is playing at the maximum rate, which is significant. I imagine those with a gambling addiction would be those who would be up at that elite level of being able to push through as quickly as possible.

Mr ARMSTRONG - I think it was the manufacturer who was telling us. I cannot think of the name now.

CHAIR - Gaming Technologies said that even though it was three seconds it would be virtually impossible because with Australian machines you have to play the whole spin first before you can press again, whereas with American ones you can press again before it has finished. He said it is virtually impossible, but here nor there, it is a lot of money.

Mr ARMSTRONG - We have also heard electronic gaming machines are in a decline, the market is not growing. Online betting, they are saying if the machines go, people will get online where there is no regulation whatsoever. You put your credit card number in, I am led to believe, and if you have a limit of \$10 000, you can spend that \$10 000. Do you believe that would become a bigger problem if gaming machines were removed from the pubs and clubs?

Mr BROWN - Two things, firstly, there is as we speak, talk of regulation at a federal level of online gambling, so there are going to be things put in place to limit people's losses and to regulate that industry, which is important. As you said, it is right there, it is in your face. You are able to do it anywhere. That is the one aspect.

The other thing I have read in the research is that those who have a problem with poker machine addiction do not get addicted to other forms of gambling. It is the machine that they are addicted to; it is not necessarily the gambling. This is where it comes back to the evidence that was very clearly portrayed through the *Ka-Ching!* documentary. It is the addictive nature of that machine that is the enticement; it is not necessarily the gambling itself.

It may be for various reasons that people stay there. It may be that they have issues in their life that they are trying to suppress and gambling on the pokie machines is just to zone out. With all the wins and the noises and the incentives to stay, it helps them to deal with that pain. That is one aspect. From what I have read, there is not an association with people moving from one form of gambling to another if they are not given the opportunity to use poker machines.

Ms RATTRAY - Do you think there would be any merit in no bells and whistles for machines, like plain packaging for cigarettes? We have heard some evidence today that has

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reduced the rates of smoking. Do you think there would be any opportunity? Do you think it has any merit, Mark? I do not do the bells and whistles, but other people probably do.

Mr BROWN - If the Federal Court ruling is in the affirmative that is going to be mandatory anyway. Having false wins and near misses, which are completely outside of probability, induces people to want to think, 'I am just about to win'; when in fact, they are not. The machines are certainly programmed to not give jackpots very often.

Ms RATTRAY - You do not think reducing the noise, the lights, the fruit and the coloured -

Mr BROWN - That would make a big difference, definitely. However, it is an incremental change. That is why we are saying \$1 bet limits initially, a reduction over time in the numbers, starting with the clubs and pubs. We do not expect a big blow and everything to be obliterated. It is an incremental change so that those who are most affected can have time to make those modifications to their business models and get used to a lower income from these machines.

As we have said in our submission, the dual aim of trying to maintain the revenue stream that we have and deal with those with problem gambling, you cannot have both. There is going to be a reduced revenue and we need to accept that and help those who are most affected, those businesses that are going to have a reduced revenue. The other aspect is if they are not putting money into poker machines, will they put it into food, beverages or other ways the clubs and pubs could benefit? Is there another way they could run their business to attract other forms of revenue?

Mr ARMSTRONG - Mark, you were saying in a phased reduction of poker machines beginning with those outside of casinos, do you support poker machines being in the casinos, or would you like to see -

Mr BROWN - I think it's an inevitable fact that we are going to have casinos. Our concern is with problem gamblers and the access they have in the communities. Incremental change - poker machines have been in the casinos since the 1970s, so that is not our focus.

CHAIR - It was put to us that if it was limited to two venues it is much easier for the organisation to have a database of problem gamblers. It was highlighted during Anglicare's presentation that, even though there are some people who self-regulate, it is still not difficult for them to have access to different venues. The big plus about the two casinos was if there was a problem gambler they could monitor more closely at that industry level than they could through itinerant staff at pubs and clubs there for a 6 o'clock to 10 o'clock shift, one night on the gaming floor.

Mr BROWN - They miss seeing different people, exactly.

Mr ARMSTRONG - On the weekend I was at a hotel for a meal on the west coast of Tasmania. There was an elderly lady there and I was talking to her. She didn't know who I was or what I was doing. She went out and had a game on the pokies and came back in and was sitting there talking to us. She said, 'I come around Friday and Saturday night. I am waiting for some friends and we have a meal and game on the pokies'. She said, 'I allow myself \$20'. I said, 'Do you enjoy it?' and she said, 'Yes, it's a social outing for me. My husband passed away last year and I couldn't drive outside of the west coast. I couldn't drive to Burnie.' What would you

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say to those people if we then said we are going to move poker machines out of all hotels and clubs? For her, that was her social outing for the week.

Mr BROWN - Part of the education package would have to be advising people as to why the changes are being made and the impact poker machines are having on a significant number. It is 15 per cent of those who regularly play, say once a week, have a problem, and 30 per cent have a problem knowing when to stop. This lady has the self-control to say, '\$20 and that's it', but for up to 30 per cent of regular players, they don't have that self-control. Part of the education of the community is letting them know why we are making these changes, why we are reducing the bet limit down to \$1. It is help these people.

Initially, you can still play with a reduced likely return and ultimately, with this incremental change, the education of the community would have to say, 'In five year's time we're going to reduce poker machine numbers and they are going to be removed from the clubs and pubs'. For that lady and that particular venue, they have to adapt to the market changes. They might start a bingo night or a trivia night, for instance. There are other ways you can attract the local community to be involved and have their night out. It means you have to think outside the box.

Mr ARMSTRONG - There was a group of them in there for a meal and then they went and played the machines. They were leaving before I left. I think we're bringing them in because the lowest common denominator, a minority, we're looking at is going to affect the biggest majority of our population.

Mr BROWN - When you think of the numbers, if you were saying 30 per cent - if you look at a pokie venue, you have 10 people playing and three of those people who are playing find it hard to stop. That is not a small number. This woman you have mentioned is one of the other seven, but we have to prioritise the vulnerable and those who struggle. By doing it in a phased way and educating the public about the importance of the thinking of these people, I am sure people will understand that. People are generally thoughtful and want to help those who are struggling in the community.

Ms COURTNEY - Your submission asserts that some of the harm minimisation measures that are currently in place are ineffectual. What would be effective in your view?

Mr BROWN - As I have mentioned the \$1 bet limit is the most simple and straightforward.

Ms COURTNEY - You mentioned a statistic in your opening statement. Could you please go back to that because I didn't pick it up. Something was going to be reduced by 80 per cent, what was that?

Mr BROWN - Basically if it is \$5 at the moment, your maximum bet, and now if it is reduced to \$1 that is an 80 per cent reduction. If you are playing it at your maximum rate. If you are putting a maximum amount of bets in.

Ms COURTNEY - Over a period of time? I just wanted to clarify where you were getting that 80 per cent from.

In response to another question you said that it is not the gambling per se that people are addicted to it is the auditory and the other parts of the engagement with the gaming machine, and therefore the addiction is not transferable over to another form of gaming. We have heard

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evidence this morning from some of the witnesses that it is the high that they get from it, which is similar to may be illicit drug use.

Mr BROWN - Yes, dopamine.

Ms COURTNEY - Yes. Do you have concerns that we've heard evidence that some people that are vulnerable are vulnerable because they have circumstances in their lives that are quite challenging? Rather than having an environment that is relatively controlled and supervised they might go and do risky behaviour searching for that dopamine high in an unsupervised and unregulated environment?

Mr BROWN - That is always going to be available, I suppose. The points that I was making - and I think you will hear from Charles Livingston in a few weeks - is that the poker machines themselves are designed - I don't know in terms of computer animation whether they are able to mimic that or not; I don't think they can. Plus the sense of family, I suppose, in those darkened rooms there is an attraction there. From the research that I've read, somebody with a pokie addiction who is not able to use poker machines won't necessarily just go straight onto other forms of gambling. Again, that really just highlights the fact that it is the machines themselves that are the main reason that they hang around and stay all day and don't go to the toilet.

Ms COURTNEY - In your last page you have several suggestions there and one of them is poker machines be fitted with a system that allows to set an enforceable limit on their losses. By that are you referring to either voluntary or compulsory pre-commitment technology?

Mr BROWN - That's right.

Ms COURTNEY - We have had evidence of some people talking about voluntary versus mandatory. Do you have a firm view on that?

Mr BROWN - Not really. I think Norway, or one of those areas of the world, has a mandatory limit and a mandatory amount of time on the machines where they will stop. After you have gambled for an hour the machine will shut down for 10 minutes. I think that is a brilliant idea, but we're not suggesting that. I think it is something to consider.

Ultimately it will depend on how well pre-commitment technology is taken up. At the moment the pre-commitment technology seems to be tied in with these cards, the frequent flyer type cards for the poker industry. The more people spend the more incentives they get through these bonus cards to stay. It seems like the pre-commitment is tied in with that particular plan, which I don't think is a good idea. Again, I have never seen it work and I suppose it would be something that would have to be evaluated if it was introduced to see if it was being effective. If it is not then maybe further changes need to be made like making after an hour on the machine give the person a break or they may be asked to set a limit. That is a good thought.

CHAIR - We have tended to put casinos here and pubs and clubs into this bracket. In New South Wales, the club market for EGMs was a lot different to the pub market, as when they were introduced in 1997, or whatever, people saw the gaming machines going back into the community. They would have lawn bowls; they would sponsor groups. The local ladies' darts team would be sponsored by the club. It was putting back into the community. That has not happened here in Tasmania. The pubs and clubs do not and the clubs have not taken off as well with the gaming. Do you see an opportunity because clubs are struggling and most of them are

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RSL clubs? Do you see that there is a slightly different agenda if you are going to ban them, just put them into casinos and not pubs and clubs? Is there a role, in somewhere like the west coast, for the RSL club to have access? Any profits from that would go back into that immediate community where in a pub, any profits from a pub goes back to the -.

Mr BROWN - I see what you are saying. I suppose again it is an issue of conscious. It is the revenue that is being generated going back into the community is 60 per cent from problem gamblers and those with a moderate risk. Can we justify that as a community? That is our concern. I do think we can. That is why we say to the Government that having that dual aim of not touching the revenue stream and still maintaining harm minimisation - you can't really have both. You really need to make a decision. Is the welfare of the people going to come as the first priority? In our understanding that needs to be the first priority.

Our last paragraph sums things up well:

ACL regards the hidden social costs of gambling as far outweighing the quantifiable financial gains that accrue from the current gambling arrangements. The Hodgman Government has an exceptional opportunity to show strong leadership by adopting and implementing policies that prioritise the protection of the vulnerable Tasmanians over short-term profits and to demonstrate that the best interests of the Tasmanian community are its highest priority.

It's pretty much what I just said but I think it is an opportunity to lead the rest of the nation as well. We do not want to sit back and wait for a national model. Why not have a Tasmanian model?

CHAIR - Thank you, Mark.

THE WITNESS WITHDREW.

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Mr JONATHAN BEDLOE, DEVELOPMENT OFFICER, MEN'S RESOURCES TASMANIA, WAS RECALLED AND RE-EXAMINED.

CHAIR - Welcome back, Jonathan. Men's Resources Tasmania is not as well known as Anglicare and TasCOSS so you might take a few minutes to explain how you evolved. We really appreciated your submission. We think there is a point of difference to the terms of reference being Men's Resources Tasmania not Neighbourhood Houses or whatever.

Mr BEDLOE - Men's Resources Tasmania is a community-based, not-for-profit organisation that operates primarily through voluntary effort of the board and some of our members. We get a little bit of licence from some of our workplaces to do a little bit of work off the site of our desks but most it happens in our own time. Although we have only been around since 2014 in a formal capacity, many of us have been meeting as a network of primarily service providers interested in talking about how we work with men and trying to develop ways and opportunities for better support for men in the community of health sectors. So we are completely unfunded at the moment although it looks like we've won a grant recently from the Tas Community Fund to create some resources. We believe the social cost to the community is reason enough for removal of pokies from pubs and clubs. We are also interested in the Government's own agenda to reduce family violence and improve child safety through its work to address problems in the child protection system, and also its current work to improve mental health outcomes and suicide prevention strategies. We think that this requires the Government to align other policies, to ensure they are not creating harms that these policies are trying to address.

While economics is not really the focus of our expertise, the evidence we have seen put together by the Community Voice on Pokies Reform and their research, we think, really does show a strong argument for removing poker machines from local pubs and clubs. When the economic cost of suicide is considered, we feel the continued allowance of poker machines in local pubs and clubs just cannot be justified.

A couple of other interesting bits of information that were not included in our submission: the Victorian study, which I have sighted, shows that 51 per cent of problem gamblers and 20 per cent of moderate-risk gamblers also experience depression, which is equivalent to where in the general community it about 10 per cent. The same then for anxiety, it is 46 per cent for problem gamblers and 17 for moderate risk, relative to about 10 per cent in the everyday population.

There is evidence to show that each suicide costs the Australian economy about \$6 million. There is other evidence to show that possibly up to 400 suicides a year in Australia are attributed at least in part to problem gambling. That is from the Productivity Commission report. About five to 10 friends, family and other community members are affected by each individual suicide, and that includes employers and the cost to their business.

Research highlighted in an article published in *The Conversation*, the online magazine, says the police recorded 20 per cent fewer family violence incidents and 30 per cent fewer domestic violence assaults when postcodes with no poker machines were compared with postcodes with at least 75 pokies per 10 000 people. That sort of evidence is very compelling and gives us a good strong base from which to call for the removal of pokies.

CHAIR - I note that your submission made reference to child safety and wellbeing. Are MRT aware of any statistics or trends which suggest that children exposed to EGMs in pubs and clubs, or their parents utilise them, for example, during a family outing, are more likely to become

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gambling through conditioning and the normalisation of poker machine gambling being part of family events. It's bit like when you go to McDonald's and there is a play area; you go gaming and there is a play area. Are there any studies or have you got any statistics, or is it just anecdotal?

Mr BEDLOE - I am not aware of studies that look at that specifically. My argument, I think, would not be around children accompanying children into venues. It would be more around what is happening in the bigger picture of a family's life. One person, one of the adults, is perhaps gambling in their own time, not with the family present; they get themselves into financial difficulties, and what then happens back in the home. I think my understanding is that there is evidence to show that there are links between problem gambling in an individual and then the impacts that can be felt in the wider community and at home.

CHAIR - The Victorian study quoted stated that 400 suicides per year were attributed to gambling. Do you have any breakdown of what type of gambling the victims were involved in? Whether it is racing or poker machines or casino tables - because the study itself just says gambling per se. I suppose, with all due respect to our terms of reference, most of what we are discussing at the moment is poker machines. I am just wondering, do you have any information regarding that?

Mr BEDLOE - I am certainly willing to go away and consider that and see if I can find out some more. Due to the time available to contribute to the submission, I haven't drilled down into that level of detail but I am happy to look at it.

CHAIR - It is important when we put gambling and we make those sorts of statements about suicide, that we can attribute that. Your submission called upon the government to support hotels and clubs that currently have poker machines to transition their business model. What format do you see that take? Financial assistance, business guidance from experts, tax remissions, providing training for staff? We have heard from others about the transitioning of staff or the business. How do you see that happening? How do you envisage that might occur?

Mr BEDLOE - Public consultation could go a long way in terms of support for businesses to do that. Help them to connect with their local communities at a local level and ask local people what they want. 'You're saying you don't want pokies, so what sorts of things do you want? What sorts of things will bring you to our venue?'. Public consultation at a local community level would be important, being clear on time frames and looking at a range of options for training that might be offered. There is training going on all the time. Just today in my workplace we had a new training opportunity come up that we need to apply for. We need to go away and find out what the needs are in our local communities for training. Responding to those opportunities that come up and making sure there is local input into what training is put on that will suit those particular needs.

CHAIR - How do you respond to a community that says, 'The pub or club we have that has poker machines are the ones that provide us with the bands every Saturday night, even though they run at a loss. They are the ones that provide us with community barbecues, even though they run at a loss. The only way we can do those things to try to bring the community together is to maintain the revenue stream we get from EGMs. We are aware of the people who are problem gamblers and we manage those.' Some communities say, 'What we have here is working really well'. How do we as a state or government say, 'Well, we're taking them out of there'?

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Mr BEDLOE - It is about the education. It is fair to say most people have the interest of the community at heart and can recognise that individual enjoyment or opportunities for using EGMs or other activities shouldn't necessarily come at the expense of the costs to a wider group of people. We need to consult those people and recognise there are people who have the desire to play machines and don't have addictions.

Are there other ways to create similar opportunities for those sorts of interactions, even with some sort of machine that doesn't involve the extraction of money from them? It means an adjustment to business models and different forms of income. If we can take some time, and include in that transitional phase education of people. This is particularly so in those more rural and remote local communities where the local pub may play a bigger role. We can take some time to educate and inform those people and consult with them about some of the alternatives they might be interested in.

CHAIR - I know you are only a newish organisation - 2014 - so I will go back into that comfort zone because I think some of my questions were a bit unfair. You mentioned suicide - and that was prevalent through your submission - you mentioned 625 people contemplating suicide. In your organisation how have you come across gambling being an issue and how do you measure it and monitor it? What do you do to help provide support when you recognise that somebody is in a tenuous position?

Mr BEDLOE - As an organisation we're not offering services to people individually. This is more about playing an advocacy role, trying to create resources and work with other organisations to get them to work with individuals better. Having said that, particularly prior to 2014 we were doing three to four network meetings every year and people would come from a variety of different community and health service backgrounds, some of which were organisations providing support to problem gamblers, so we would definitely hear the stories and concerns from them about those issues.

I was reflecting on this and put the word out to some of my networks to say I don't have particular personal stories I can relate that relate to suicide or suicide ideation but I would still like to hear them if I can. For people who complete suicide, those stories are gone and we don't get to hear them, so it is a very brutal aspect of the issue. For people who don't complete suicide, and obviously there are a large percentage of people who don't complete, I think we need to do more to understand what is going on for those individuals and their families. Suicide is a very stigmatised issue, as I am sure everybody understands. We still have a long way to go to bring the issue out into community discussion some more and find ways to hear some of the stories of what has been going on for people with suicide ideation.

CHAIR - I must admit I have been to a couple of MRT events and I found them not fascinating but filling a void because with a lot of the social issues we have heard in the last few years, whether it be domestic violence, alcoholism or gambling, even though it is not gender-specific, there seems to be a vacuum where there is a space for men to come to terms with some of the problems and issues. I know that is the space that you guys are trying to fill. Do you receive any funding through the community support levy or is there any funding for that? It seems to me the work you are undertaking is very important because it is that man-to-man relationship which you may not get within another sector?

Mr BEDLOE - I fully agree. We very much feel there is a void in terms of connecting with and supporting men, not necessarily through mis-intention of organisations - I think a lot of the

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community service sector are doing the very best they can with what they have - but it is a strongly female-oriented sector and there is a variety of reasons why men haven't participated in the sector as well. In terms of funding, we don't receive any funding out of the community support levy. We haven't necessarily put in for a whole lot because of the time and energy to do that. We're in that difficult stage between being unfunded and not having anybody at a desk doing funding applications and having our first lot of funding where we can start to turn something over, so that is where we are at, we are a bit stuck.

CHAIR - Is MRT predominantly a southern-based organisation? I am not saying that critically, just because of the nature of the beast it is?

Mr BEDLOE - No, we have board members from across the state and many of our meetings would be either online through Skype or similar or some of our workers who work in the health department are able to arrange meetings in Campbell Town.

CHAIR - Through your relationship with Neighbourhood Houses and your connections there, you would see in some of those places there could be a need for a male helper to sit down and chat with men who may have issues regarding a whole range of issues, but gambling specifically because - and this sounds sexist, but it's not supposed to be - in some of our lower socioeconomic areas, if there is one-person income, I would say generally it would be 60 per cent male. I'm just guessing there, there is no evidence there, but that's from what I have noticed in teaching in some of these areas. Is that how you see it? What role can Neighbourhood Houses play in identifying those people who need help?

Mr BEDLOE - I think Neighbourhood Houses and Men's Sheds are closely aligned. Many Houses have Sheds attached, other Sheds are not attached to Houses, but I think those two organisations are very well placed to provide support to some men. Having said that, I think a lot of men won't go to a Shed or a Neighbourhood House for whatever reasons. There are a number of reasons why they won't. There is a lot of work that could be done to change perceptions of Houses and Sheds. Also Men's Sheds are particularly focused on a certain demographic, I feel. You know, your retired officer worker is not necessarily going to be interested in going to a Shed, or maybe they are because they have never had that practical side in their life. There is lots of potential either way, I think.

Ms COURTNEY - In your opening you talked about research around a correlation between family violence and gaming machines. Where was that research done?

Mr BEDLOE - It was an article in *The Conversation* but that was put together by the academics who had done the paper, and the reference was in my submission, I believe.

Ms COURTNEY - Okay, but you don't know geographically where those suburbs -

Mr BEDLOE - Not off-hand, - but I can find out.

Ms COURTNEY - Was it in Australia?

Mr BEDLOE - I think it was Victoria. I'm pretty sure it was in Australia.

Ms COURTNEY - What is your opinion from the people you have come into contact with - and I don't want to use the wrong wording here because I don't want to for a moment suggest that

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there is an excuse for family violence, but rather than being family violence being an outcome of gaming machines, could it be argued that there is a stressor or circumstance that would both lead to family violence and possibly use of gaming machines as well? We have heard lots of evidence today around people using it to deal with a circumstance in their life that was very challenging so I am interested in your perspective. Some of it is a bit of a chicken and egg scenario, but I'm interested in your experience with those, I guess, challenging issues.

Mr BEDLOE - I agree that family violence is not excused by a gambling addiction. It is still a choice that could be made differently. I think there are always multiple issues that factor and which comes first, the chicken or the egg, I think is a very difficult thing to understand and probably needs a lot more research.

Circumstances may well be things that lead people to problem gambling, whether it is retirement, redundancy, loss of a relationship, relationship breakdown and subsequent events like loss of kids and that sort of thing. I think those things can certainly factor into someone heading into problem gambling, just as they could also lead to suicide. I think the vice versa is also quite possible, when somebody flat out working really hard, they're underemployed and are not getting enough hours or their wage isn't meeting the need, so they go gambling to try to meet the need, they don't get it anywhere and end up losing more. There is all this stigma around it. Ann, who I was with here earlier today, said she had spoken with a woman gambler who had been seen by a person from a Neighbourhood House and said, 'Please don't tell my partner I've been here'. So there is all this stigma around it and I think it is very much possible that the gambling could then lead to anger and frustration and dealing with those issues in an unhealthy way through family violence or whatever it might be.

Ms COURTNEY - Do you think, as a community, if we looked at ways that we could support people in vulnerable times of their lives, with all of the circumstances we have talked about that therefore we could minimise the harm by people addicted to gambling while still maintaining access to gaming machines for the majority of people that participate with them in a safe, healthy or interactive way with no long-term harm.

Mr BEDLOE - My feeling is that we really need to look at the whole big picture. Of course, there are always going to be people who can manage themselves and manage the way they play, but for me it is about the whole community and making sure we look after everybody.

I think the idea that gaming machines are the only form of activity or entertainment that people may have is a bit of a cop-out. We are an ingenious society; businesspeople have the capacity to come up with new ideas and innovate. Let us challenge them to do that instead of accepting that for the benefit of some people we are going to sacrifice the lives and the wellbeing of other people and their families.

CHAIR - I think we have a good grasp of where you are from, MRT and from Neighbourhood Houses. I appreciate that and it has been very informative. I hope people listening understand that MRT is a not-for-profit voluntary organisation. If somebody would like to get involved they could contact you through Neighbourhood Houses. I think it is good to put that out there. There might be members of our community that would feel more comfortable going through your organisation than some of the others that have been around for a while and have a different cohort.

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Mr BEDLOE - We would love to hear from them. There is that *Conversation* article, if you would like me to -

CHAIR - If you could table it that would be fine.

Ms RATTRAY - Can I clarify that it is MRTasmania, not MRT, because MRT is Mineral Resources Tasmania.

Mr BEDLOE - Men's Resources Tasmania is the official title.

CHAIR - Thanks very much.

THE WITNESS WITHDREW.