

THE LEGISLATIVE COUNCIL SELECT COMMITTEE ON THE IMPACTS OF GAMING MACHINES MET IN THE TRAINING ROOM, BURNIE CITY COUNCIL, BURNIE, ON THURSDAY 18 APRIL 2002

ALAN PATTISON WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

CHAIR (Mrs Silvia Smith) - We are accommodating.

Mr PATTISON - And I thank you for that.

CHAIR - Alan, you've been sitting in the audience and you know the procedure so I don't think I need to go into that. My presumption without even having a look at this submission is you're coming as a private citizen?

Mr PATTISON - I am indeed. Very, very much so. I'm here, and I want to reiterate that for the record, as an individual not representing any church, any party, any club or association.

CHAIR - Alan, the submissions to the committee - I've just been advised that the media has a copy of the submission. All submissions to the committee are the property of the committee so what you say to the media out of here is a different thing but the copies of the submission must stay with the committee until we write our report. Thanks.

Mr PATTISON - I do apologise to the committee.

CHAIR - That's all right. It was just brought to my attention, but you are able to speak to the media. Once you leave this room you are able to speak to the media and give the media any comments you wish that may be even contained within your submission. Okay?

Mr PATTISON - Okay.

CHAIR - And it's a public hearing.

Mrs SUE SMITH - It's just a quirk in the system, Alan.

Mr PATTISON - I was too eager.

CHAIR - No, it's our standing orders and we must abide by them.

Mr PATTISON - I appreciate your keeping me on the straight and narrow. I need people -

Mr SQUIBB - It's been our pleasure.

Laughter.

Mr PATTISON - I'm not bleeding too much.

First of all, thank you for having this meeting on the north-west coast and also to member Sue Smith for making comments in the press. I thought that there probably would have been a multitude of submissions coming through, but obviously not.

Mrs SUE SMITH - That's only about the fifth comment to me, so they all ignore me. Or we have no problem.

Mr PATTISON - I think your comments were well taken up and I applaud the *Advocate* and if other newspapers reported those I applaud them also for highlighting this.

My submission is by necessity very brief. My recommendations for your consideration are: to help reduce the problems that are obviously evident in the video gaming area and people becoming addicted to it; that all gambling advertisements contain a warning - for example, 'gambling is a wealth hazard' or 'gambling is addictive' in a print style 20 per cent the size of the largest printing in the advertisement.

I think that we can learn a lesson from the smoking or the anti-smoking lobby group. All the cigarette packs now carry a warning that smoking is a health hazard. There are various phrases that could be used and I just draw these to the committee's attention as being possible examples. 'Mine's better than mine' may bring forward other illustrations which are going to be more penetrating.

The second suggestion that I have for consideration is that a sign be erected at the entrance of each gaming room displaying the average return when \$10 is played. I say that because to express the possible average return in terms of odds like 100 to 1 or 50 to 1, whatever the odds may be, I don't think really has very much significance or impact on a person. But if there was a sign saying that if you play \$10 you are likely to get \$4.50 back, that may have more of an impact.

I understand that the video gaming machines were introduced to offer the hotel and club industry additional funding to upgrade their facilities for tourists, better accommodation and eating facilities and I think by and large that mission has been accomplished. Proprietors have invested large sums of money on facilities and that has been underpinned by government commitment in legislation.

From a perspective of principle, I'm opposed to exposing businesses to sovereign risk. If there was to be a change in legislation to remove or reduce the number of machines or the number of outlets there may well be claims by operators for compensation against the State because they've obviously made an investment based on certain factual information and if the State then goes and changes it there may well be a case for compensation. I'm not saying that there would or there wouldn't be -

CHAIR - But the potential's there.

Mr PATTISON - but I can there's an argument.

If there were claims for compensation the State Government may have difficulty in meeting those payments because with budget surpluses in the order of \$4 million to

\$5 million, and I understand the current budget surplus is in that same range, there may not be the potential for the Government to easily or readily make compensation payments without reducing expenditures in other areas of services.

Based on the comments from welfare organisations, there is a small group in our community who have a problem with gambling using poker machines. Unfortunately, again, from the information that I've gathered from welfare organisations these people are often in a demographic that can least afford to gamble and also least able to withstand any financial strain from the losses that they may incur.

Again, I haven't had the opportunity of undertaking any independent research but my observations are based on what seems to be fairly common opinion recorded in the media.

However, I know of many people who are financially stable - perhaps you could even use the phrase 'financially conservative' - who do enjoy a punt, do enjoy gambling. They see the pokies as a recreational activity; their losses are usually small within the context of their disposable income. Their losses can be sustained and if they do lose money at the pokies it doesn't mean that they can't buy bread and meat or shoes for their kids.

The State Government is also an important party in this debate. They're reliant on taxes from gaming machines, about \$76 million annually I believe. Now this may be small in the overall budget context but nevertheless I believe it is a significant amount of money for the State Government.

I've tried to summarise the discussion by saying that this industry brings joy to the Government because it collects taxes effortlessly, it brings a smile to the proprietors who are making a profit from the gaming public, enjoyment to the financially stable who look at gambling as a recreational activity but - and there is a very big but - we do have this section of the community who are slaves to the gambling habit using poker machines.

Possible solutions to this dilemma are difficult, given there's no community support for the general proposition that this form of gambling should be banned.

Education and information must be increased to help offset the negative impacts that our community feels and I consider it wrong that hotels can advertise in very large signs that pokies are available from 10 o'clock in the morning. I think this sign gives the wrong message to the public. It implies that the main function of the hotel is the provision of poker machine facilities. There's no mention of food, or drink or accommodation in the same format. Certainly, from my perspective anyway food, drink and accommodation are the major focuses of hotel operations or the traditional focus of hotel operations.

I also believe that setting out the amount of money that may be won or the average that could be won from playing a sample amount - for example, \$10 - could give a better perspective to people as they enter the gaming room so that they know that they are, on the average, going to lose.

In conclusion I'd like to thank the committee for its deliberations and for the Legislative Council in agreeing to set up this committee. I think it is very important that committees such as yours look in detail at various community concerns and it's my guess that the

success of the outcome of this committee could be reflected in five years' time when welfare organisations are saying they have really noticed a decline in problem gamblers from the poker machine perspective.

CHAIR - Thank you, Alan, for a very sensible approach to the whole issue that we're dealing with here. You've got a couple of interesting recommendations and you've taken a proactive point of view in coming to the committee. We do appreciate that and I'm glad we were able to find the time to fit you in to the system.

I just ask committee members if they've got any questions they'd like to ask of you?

Mrs SUE SMITH - No, I think it's been quite succinct.

Mr SQUIBB - It was fairly straightforward. You're basically concerned about the - in an effort to help to overcome the problem of the problem gambler you're suggesting that it be attacked from the point of view of advertising. I was interested that you're suggesting rather than banning advertising - as has been suggested by some people and in fact it has been proposed in some States - you're not suggesting that it be banned at all but you're suggesting that all the advertising should have the warning there.

Mr PATTISON - Geoff, I think - and this phrase has been used many times before - that politics is the art of the possible and here we need to be judging in a political sense what the community wants. There is undoubtedly demand, in fact some of my close friends I'd classify as punters; they really enjoy going out there. They might put an amount aside, depending on their circumstance, and they'll play until that figure is exhausted. They're not a problem gambler by any stroke of the imagination.

I can't see that it's ever going to be possible to get gambling banned in the community or for the community perception to come to the position that gambling should be banned or annihilated. I think we've got to look at what could be achieved, what can be achieved without destroying in the short term the revenue streams to government because it's obvious the Government needs the money and if we go through a community mind-set and say 'Look, gambling is intrinsically bad, we do need to stop this as a community', well that becomes another debate which is much deeper and broader and certainly I haven't canvassed it today.

Mr SQUIBB - Can I just seek further clarification on your recommendation because you preface it by saying 'to help reduce problem video gaming' and you say all gambling advertisements should contain the warning.

Is that all gambling advertisements as they relate to video gaming or all gaming?

Mr PATTISON - Within the context that this committee -

Mr SQUIBB - Of the video gaming?

Mr PATTISON - Of the video gaming.

Mr SQUIBB - I just wanted to clarify that.

Mr PATTISON - That's what this committee is addressing and I probably should've -

Mr SQUIBB - No, that's what I assumed you meant but I just wanted to make sure.

Mr PATTISON - Yes, that's correct.

Mrs SUE SMITH - If I might perhaps, Madam Chair. Alan, community perceptions of research and information, one question, and the other one, education. What did you see as the responsibility of the system to provide education outside of gaming arenas in the same way as we provide for road safety, smoking and some of those other dangers to the world? Have you got any comments on those two?

Mr PATTISON - I'm - I'll use the phrase 'basically supportive' of all means of educating people on gambling. If people are aware of the proposition that they're likely to lose then that becomes an extra dimension in their consideration as to whether they will gamble or not. So any education program which has the underlying thrust of informing people of the potential outcomes of gambling - that is, that they're going to be a loser - I'd be quite supportive of that.

CHAIR - Just taking that thought to another angle. In your experience, and you obviously care about this issue and have just done some research into it and the community's awareness of the problems or what would happen to them if they take this action is one angle, but what about the community's awareness in your understanding of access to services to assist them if they get to that problem stage? Do you believe that as an industry or as a State government we are doing enough awareness programs for those people who might need assistance from services such as Anglicare and GABA and those sorts of things? It's another advertising thing issue.

Mr PATTISON - People need to be - I'll make two comments and these are made very much from the perspective of being a lay person.

I'd say that firstly people need to know, the community needs to know that there are avenues of remedial action available and where they can go to Gamblers' Anonymous and things like that. People need to be aware of that.

The other thing is that those organisations need to be adequately funded. Now that's just two general propositions that I'd make. I really don't know whether those organisations are sufficiently funded to provide what they would believe would be adequate provision of services.

CHAIR - What I'm coming at is you're asking the potential for more advertising to warn the punter that there is a risk in this action. Is it a worthwhile thought that alongside that type of warning one could warn or advise the punter or the problem punter that if you take this action - knowing the warning that this is the assistance you can get if it becomes a problem?

Mr PATTISON - Yes.

CHAIR - In some hotels, clubs and certainly in the casinos I'm very much aware that there are signs up in the various parts of venues to say if gambling is a problem for you you can access assistance by this phone number or by GABA.

Mr SQUIBB - In some States it's required by law.

CHAIR - Yes, in some States, as Mr Squibb says, it's required by law. In some States, for example, it's even on the machines themselves - that hotline number so to speak. Would you agree that's a good remedial outlet?

Mr PATTISON - I think that's helpful, yes.

Mrs SUE SMITH - One of the interesting aspects, Alan, and I know your background and this is why I'm putting this issue to you, is that many of the people with problems in this arena that have come forward certainly haven't been from a low socioeconomic group they have been professional, middle-aged, of good financial capacity who have suddenly been captured in this. One made a very strong issue of the fact that they are of the belief that there could be a class action coming somewhere down the track and when we see what's happened in the smoking arena with those particular processes, should a State government who's taking 13 per cent of their gross revenue income every year out of this particular arena now, should a State government have a responsibility to promote the ills of gaming to ensure this class action process doesn't happen to the people of Tasmania down the track?

Mr PATTISON - The issue of class actions I think is going to be taking a completely new direction after the recent smoking decision in Victoria. I think everybody has been rocked on - I can't say that - I personally was rocked on my heels when I heard of that decision.

If there is an action and if it was successful, the very roots of government financial viability would be rocked. I think that with these developments over the past week or so the Government would need to be making extra special efforts in terms of education and how that's achieved. I'm just suggesting a couple here which I think would be reasonably easy to implement. Whether it means writing to everybody in the community, whether it means taking out half-page advertisements twice a week alerting people that these are the various hazards or the various hazards that you could face in life -

Mr SQUIBB - Also, it's an acknowledgment of the problem isn't it?

Mr PATTISON - Yes, it is. And self-incriminating perhaps. If smoking is so bad why do we legitimise, why do we have tobacco on the shelves, why is it sold under licence? If gambling is such a bad thing, why does the Government allow it?

I made the comment before that I don't think the community view is that gambling should be banned and I don't think we're going to get that to that position unless there is a complete turnaround in the views of the population. That would be, perhaps, the cheapest outcome for everybody involved but I don't think it's practical.

Certainly after the smoking decisions I think that every organisation which sells or promotes or allows to be sold something which may be prejudicial to health or finances

may need to be taking another look and yes, more advertising as a result of that. But the people have got to learn to take responsibility for their actions.

Without commenting too briefly about this lady and the cigarettes she has smoked from 12, she's now in her early 50s, she's known for a very, very long time that there has been a lot of information out there that smoking's a health hazard. Gambling is a wealth hazard.

Mrs SUE SMITH - I'm looking at the two issues that if when you were 12, 13 or 15 and it wasn't known that it was addictive and then it started, that's the issue down the track. I don't think there could be any argument in the smoking arena at the moment that we don't all know the processes. If we don't have full legislation to ensure in the gaming arena the same thing, that people are fully versed and then it is their free choice, are we opening the door down the track because there are four parties in this. There is the participant themselves, there is the State Government that legislates then there are the operators of the venues et cetera. And that's the only comparison I was making today of seemingly very little research as to how deep the problem is or isn't in the process at the moment. It could be drawn on the same lines as smoking in the past where it was seen to be hip to have a cigarette coming off your lips, you know, and an ad at 16 years of age. It is not seen any longer to be that. In fact young people take the absolute opposite view if they are sports people et cetera; they don't see the connection of the two as in the past it was promoted.

Mr PATTISON - I think there is definitely a role for government to be alerting people to these potential risks. How much I guess is another question but certainly I think there is a responsibility for government to highlight the wealth hazard of gambling.

CHAIR - Thank you very much, Alan for that. That has filled in a spot for us and given us a lot of vital information and some good thoughts of your own, so we do appreciate it.

Mr PATTISON - I do reiterate my thanks to the committee for hearing me at such short notice.

CHAIR - That's all right. Thank you very much.

THE WITNESS WITHDREW.