

**THE PARLIAMENTARY STANDING COMMITTEE OF PUBLIC ACCOUNTS  
MET IN COMMITTEE ROOM 2, PARLIAMENT HOUSE, HOBART ON  
WEDNESDAY 9 MARCH 2005.**

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**INQUIRY INTO THE COMMUNITY SUPPORT LEVY**

**Mr DANIEL HANNA**, AUSTRALIAN HOTELS ASSOCIATION, WAS CALLED,  
MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

**CHAIR** (Mr Fletcher) - Daniel, as I understand it, we do not have a written submission from you, so you are going to present verbally.

**Mr HANNA** - That is correct.

**CHAIR** - Members of the committee will reserve the right to ask questions of you if they want to develop any theme. I think, in the first instance, we will provide you with the opportunity to give us an overview of your position, or the AHA position, in relation to this matter.

**Mr HANNA** - I will be fairly brief in my comments. I might give a little bit of contextual information. From what I saw yesterday, it appeared that it did tend to swerve beyond the terms of reference from time to time, so I might give a bit of background information and then address the points against the terms of reference.

I come here representing two associations - the AHA and the Restaurant Catering Association. I am the general manager of that association. Clearly, this issue is mainly of concern to the AHA. I represent a little over 200 hotels in the State who are members of this association. There are in total a little over 300 general licences throughout the State, of which slightly less than a third have gaming. It is important to remember that while I am representing gaming hotels in this context, a majority of my membership does not have gaming. I guess gaming in Tasmania was introduced relatively late compared to a lot of other States and Territories. Really, the rollout was well under way by 1997 and there had been some gradual increases in the number of machines, probably up until around 2002. What we have seen since that time is that it has been relatively stable. I do not think there has been any great expansion in the number of machines, probably since around mid to late 2003, and of course the current deed between Federal Hotels and the Government does have a global cap across the State of 3 680, which I understand we are not too far from reaching.

So an important point really is that hotels can have a maximum of only 30 machines. I think that is a really important point in this context. Other States and Territories have different caps per venue, but the important feature of having a maximum of only 30 machines is you have to run good services right across the board. You cannot rely on gaming. You have to run bars, food, accommodation and other entertainment to run an effective hotel. I have heard the term 'pokie palaces' used before. You really cannot have one in Tasmania because of the cap at venue level, whereas if you look at other States, for example Victoria, they have a cap of, I think, 105 per hotel.

Now gaming, I guess, has evolved in Tasmania alongside the rest of the hospitality industry. I will certainly advocate that there have been a number of benefits as a result of the introduction of gaming. It has allowed a lot of venues to renovate, to upgrade, to provide additional services, and those services benefit everyone. They benefit the wider community, as well as those services creating employment, creating extra wealth in the industry, allowing for further things to be done. I believe that Tasmania probably has about the most responsible system in terms of the way gaming has been introduced. I think that is partly because it was introduced later than other States and Territories, so we had the opportunity to see what worked and what did not work in other jurisdictions.

I will just run through some of the things that I believe lead to a responsible industry, as well as the caps at venue level. I must apologise for not actually appearing here yesterday, due to staffing issues. I had to deliver the responsible service of gaming training to about 20 people up in Launceston. That is something that the industry does. We do not receive any funding at all for that. We deliver training and it is free of charge to people coming into the industry. That really sets, I guess, the context. It fits nicely with responsible serving of alcohol as well, and shows that there are some similarities between the two products. While a vast majority of the population can enjoy them safely and have no problem, a small minority can have problems with both of those products. That is why we deliver responsible service of gaming training, because we think it is important that every staff member, every licensee, is aware of the issues, knows how to identify people who may potentially have a problem with gambling, and knows the steps to take. It is not saying we want to turn them all into counsellors, because that is not their expertise, but really they can make important interventions, even if it is just providing a pamphlet, providing the right phone number for someone or for their family members.

Gaming, as well as having a legislative environment - the Gaming Control Act and the Liquor Licensing Act are probably the two key pieces of legislation that govern gaming practice in hotels - also has a code of practice. So the gambling industry group, which consists of all players across gambling including hotels, clubs, Tattersalls, TOTE and Federal, has introduced a code of practice that goes above and beyond legislated minima in terms of requirements and actually puts extra onus on the venue to make sure they are running a responsible gaming system in their venue. There is also an advertising code of practice. These are both reviewed regularly. In fact they have just been reviewed again recently to be brought into line with expectations. For example, we had heard that there was community pressure around the hours of operation so the code of practice introduced a maximum of 20 hours in any 24-hour period that gaming could occur. That was consistent broadly with what other States and Territories have been doing. There is also a self-exclusion system. Someone who may have a problem with gambling can get access to self-exclusion after speaking with a counselor who could be Anglicare, GABA, or Relationships Australia. They can choose to exclude themselves from a venue, a number of venues or indeed every venue around the State.

That system is managed largely, by the industry. Again, we do not seek funding to that. We administer a lot of that, so when the self-exclusions come through from the counsellors to us we do a lot of the administration and maintenance of the database, sending out information to our members. We also take calls - we are the frontline if you like - from our members with regard to self-exclusion.

Self-exclusion of course to someone who has a problem with gambling is free, it is confidential and there are no limits to the assistance that they can gain. They can exclude themselves from the venue and I can tell you that venues do rigorously police that. They have the photos and the deeds available to all staff and they do regularly police it. I can tell you that we get regular calls saying, 'We have someone in this venue and we understand that they are excluded. Can we just confirm that?' and they do actually stop people from entering either the whole venue or at least the gaming area, depending on the type of exclusion.

**Mr WILKINSON** - Can I just ask what happens with that? The self-exclusion system has been around in Tasmania for a number of years, hasn't it.

**Mr HANNA** - It has.

**Mr WILKINSON** - So you have got these people who do exclude themselves, but they still come back to the same venue wanting to gamble?

**Mr HANNA** - We do have that from time to time, yes. As far as I know, about 320 people around the State at the moment have excluded themselves. They do it in association with their counsellor who, for example, could be from Anglicare; they sit down with the patron and work out a whole range of strategies to address their problems - whether they need to exclude themselves from the venue and if so, whether they exclude themselves from either one venue or all venues statewide, if they really think that is necessary.

Once that deed is signed - and it actually signed by the counselling organisation and the patron - it is then sent to the AHA and we distribute it amongst the relevant hotels or clubs that it applies to. They then keep that date - it usually has a photo and a deed showing where the exclusion is relevant to. They put the photos in private areas where staff can regularly keep an update on who has excluded themselves and then they do police it. Occasionally people do try to gain entry to those areas for a variety of reasons. But, yes, there are people who are ejected from gaming venues because they have current exclusions in place.

**Mr STURGES** - Mr Chairman, are we able to just ask questions or do we wait -

**CHAIR** - It depends. You note that Daniel is making a worthwhile presentation. It is not really focused toward the terms of reference but it is of interest and it periphery to our inquiry.

**Mr HANNA** - I am happy to take questions.

**Mr STURGES** - Thank you, Mr Chairman. You are saying that self-exclusion comes after a counsellor, for example Anglicare, gets involved. Is there a step before that? I do not frequent a lot of areas with poker machines and I do not know whether you advertise the ability for a patron to be able to approach whoever or do whatever to self-exclude.

**Mr HANNA** - Probably the first step for a lot of people is the 1800 number which they can call. There are pamphlets and posters available in each venue advertising that if you have a problem with gambling, here is the number to call. Someone - and it can be the

patron - takes that 1800 number, rings it and gets advice. Sometimes family members or friends - people who are concerned about that individual - can ring and get advice.

Often the next step is that people who ring that number - and they are trained counsellors obviously - get referred to a counselling body in Tasmania to get one-on-one assistance. So they can do that through the venue. I know that the Department of Health and Human services also has wider promotions - have been at things like Agfest, there was a fairly big television campaign that ended around about 12 months ago to advertise the 1800 number, and I think GPs have been involved as well. So there is a whole range of parties. It could either be the venue or somewhere outside where someone - and I am not an expert in this area - who has identified they have a problem and wants to do something about it can then get access to help, and it is free of charge.

**Mr STURGES** - But if I don't want to admit that I am a problem gambler, I am not going to ring the 1800 number. If I am getting frustrated on a daily basis losing my money, but I am not going to admit that I have a problem, can I go to the licensee or the manager of that facility and initiate self-exclusion at that facility - if it is my local hotel, for example? Is it that simple or do we need to go through the more formal processes?

**Mr HANNA** - My understanding is that that is generally the case. There are other forms of exclusions - third party and other types. That is generally the preferred step. It is great identifying a problem but people often need to get that expert help. It really is better to make sure they try to see a counsellor at least once, or preferably more than that, to identify the problem and work on a plan of action.

**Mr WILKINSON** - Would it be fair to say that what normally occurs is that these people are in trouble with their debts, therefore they go to somebody like Anglicare or an agency like that to help them with their debts, and they work out what the problem is; they find out that the problem is gambling and, as a result of that, they then start discussing the self-exclusion course? I mention that because I have assisted a number of people who have self-exclusion and that is normally the process it takes. First up, they have to be really at rock bottom with their debts, then they go to an agency because of that and the agency works through it and then they come to the self-exclusion. That seems to be the normal way that it occurs. Is that right?

**Mr HANNA** - That is correct. The problem can be identified - and again I am not speaking as an expert in this area - either by the individual or sometimes by a loved one, a family member or whatever. Once the problem is identified, usually that is the first step in the process to getting some assistance.

**CHAIR** - While you are on that matter, on what basis would an exclusion be revocable?

**Mr HANNA** - That would usually be by agreement between counsellor and the patron concerned. If they wanted to revoke that exclusion, the patron would need to go back through their counsellor - those three organisations that I mentioned - and discuss it with them. I guess the counselling organisation - and I do not want to speak on their behalf - would need to confirm that that is the appropriate course of action.

**CHAIR** - So the party could not just say, 'I am sick of this' and tell his counsellor, 'I am going to revoke this'?

**Mr HANNA** - We often get people coming into our venues who say, 'I want to revoke this. I want to start being able to use machines' - or Tas Keno or TOTE or whatever it might be that they are excluded from. No, they are referred back to their counselling organisation and told, 'Until that revocation comes through, we can't let you gamble in this venue'.

**CHAIR** - Before you go on to address the terms of reference more closely, you mentioned earlier in your evidence that the industry was bound by a code of practice and you thought that laudatory. Is the code of practice a self-regulatory process or does the Gaming Commission have a role to play in enforcing the code of practice?

**Mr HANNA** - That is an industry code of practice. As I mentioned, the Gambling Industry Group has developed that and reviewed it. It is on display in every venue and I can say that over recent months the industry has been starting to audit compliance with that code of practice by all our venues. I know there has been a very high level of compliance so far. I think for some elements that is audited every month; for others, every quarter. That auditing process is going on. As I said, it commenced probably around about six months ago now.

**CHAIR** - Can you explain to me how that audit process works?

**Mr HANNA** - It is usually conducted by Network Gaming, which has people on the ground out there, going out and visiting venues. They have a range of criteria that they confirm that the venue is complying with such as, for example, that the relevant brochures are available and on display, that posters are available, I think usually in toilets, advertising the 1800 number, and that there are other practices in place that are mentioned in the code of practice.

**Mr DEAN** - I take it that other than being branded irresponsible, there is no penalty that can be imposed on any venue that accepts a person who has a self-exclusion?

**Mr HANNA** - I would have to confirm that. I am not sure. I can say that every venue that I talk to knows that if you let a self-excluded person in, it is not good for your business. Clearly, if you want to be in for the long term in the hospitality industry you need to develop a good reputation and be responsible, and I must say that all the members I talk to do rigorously monitor self-exclusions. I am not saying it is always easy. People can change their appearance, for example, things like that. That is why we brought in an initiative last year and all the counselling organisations have digital cameras now, so if they have a session with a self-excluded patron and clearly their appearance has changed dramatically, then they take another photo and send it to the venue who then feed it into their records, and they are better able to make sure they are not going into the venue.

**Mr STURGES** - Just following on from Mr Dean, if I can just refresh your memory, when we were involved in the deed of agreement inquiry I recollect that Network Gaming emphatically indicated to this committee that, as part of the licensing arrangement with hotels, there are provisions to take punitive action if in fact they do not meet the criteria and the standards set. I do not know whether that might just refresh your memory, but I am pretty sure that is a provision, that if you are going to accept the number of machines that you apply for, then you have to meet certain criteria and, if not, they will rip the machines off you.

**Mr HANNA** - My understanding is that, yes, Network Gaming do, as I said, fairly rigorously police people's compliance with the terms and conditions of them having machines, and if they were breaching then they could take action.

If I can move now to the Community Support Levy, that is clearly an important part of, I guess, the compact for gaming in Tasmania. Four per cent of profits go into that levy from hotels and clubs. My understanding is that that levy of late has been filling up to the tune of between \$4 million and \$4.5 million a year. Of course, that happens relatively regularly. The industry is fully supportive of the Community Support Levy. We think that is an appropriate way for those funds to be redispersed back through the community. We should point out it is not the only way because hotels themselves often do that through direct sponsorship of local charities, local clubs; also through the events that they provide in the community. But the Community Support Levy is an important part of that. It funds research, services, a range of charitable and sport and recreation grants, things that I think everyone would agree are generally worthwhile community projects.

If I can turn to the terms of reference, I note there are six there. In terms of reasons for the level of unexpended funds, all I can say is that we do keep in contact with the Gaming Commission, and usually the information we hear is when it hits the media that there is a large balance in that account, and we do get assurances that most, if not all, of that money is generally committed, so even where there is a high account balance it is committed to a range of projects. Sometimes I think the timing of when Sport and Recreation or the Department of Health conduct their rounds of funding does not always accord with the end of the financial year, which I believe is when the snapshot is taken of the balance of that account. I cannot really make comment as to the reason for the level of unexpended funds. All I can suggest is that we have asked the question and have had it confirmed that that money is generally committed. I guess I have some sympathy for those trying to manage that account, for want of a better word, when you think that there are range of parties that are dispersing that money - the Department of Health and Human Services, Sport and Recreation. These sorts of things do not always follow the time lines of parliamentary reporting, so I have some sympathy for that.

In terms of the distribution process, the AHA has a representative on the committee that looks at the dispersal of some of the charitable grants, so we do have some input there - as well as the Department of Health.

**CHAIR** - So the AHA has a member on the -

**Mr HANNA** - If you like, the selection committee where all the grant applications are first called for and received. We have someone who has input.

**Mr STURGES** - This is just for the charitable grants, the \$2 000 up to \$10 000; is that right?

**Mr HANNA** - I believe so.

In my view the distribution process seems to work reasonably well, notwithstanding that there are a number of parties involved. I guess one little issue that the AHA might have is that we sometimes think that not enough recognition is given to where those funds

have come from. They are coming directly from a percentage of gaming profits and are then being recycled back into the community and sometimes I fear that the source of those funds gets a little lost. It appears to be just another government grants program. I know we have been working with the relevant ministers to try to address some of those issues. Again, it is not a major issue but certainly when the funds have come from a particular source, through a levy, we think that maybe a little more work can be done to recognise where those funds have come from.

**Mr WILKINSON** - Such as what, Daniel?

**Mr HANNA** - Such as being involved in media activities. There are usually media activities around the presenting of cheques because they are usually very worthwhile grants and the recipients are very welcoming of that money. We sometimes think we would like to have a little more of an involvement but we are working with the relevant agencies to ensure that that does happen in the future.

**Mr WILKINSON** - So you believe if a member of parliament in the area goes along and gives the cheque it seems to be a government grant - is that what you are saying? - as opposed to AHA or gaming getting the credit for it?

**Mr HANNA** - I think it can get a little lost. I am not saying that that doesn't happen; most of the time when media activities are conducted the source of those funds is made clear.

**CHAIR** - If that is the case, the punter ought to go along.

*Laughter.*

**Mr WILKINSON** - Then you would have to have a bet as to who is to give it out.

*Laughter.*

**Mr HANNA** - I just think sometimes that the wider community, and indeed the recipients, don't always clearly recognise where those funds have come from. That is something that we are certainly looking to work with government a little more on in the future. It would be nice if the local hotelier or the local club could have a representative at those events. Maybe, longer term, there is further work that could be done in promoting some of these really valuable projects. In the community at the moment there are a lot of great things that are being constructed in schools, sporting clubs and all sorts of other places and worthwhile research projects. Maybe sometimes a little more needs to be made of all the things that have been achieved. I would not be against even further media activities highlighting those projects after the cheque has been given and after the project has been completed.

In terms of part C, the suitability of the Tasmanian Gaming Commission, or the appropriateness of an alternative model to oversee and administer the distribution of funds, I probably cannot make any comment there as to whether there is a more appropriate model or not. All I can probably point to is I believe that other jurisdictions do have other models. I am not going to say that they are necessarily better models, I do not always receive that feedback, but there are alternative models out there, although I must say I have not ever reached a point where I have been overly concerned with the

way the Tasmanian Gaming Commission has been overseeing or administering the funds. So I cannot really make any comment about an alternative model that I would see as appropriate.

**CHAIR** - I ask you then to comment in relation to that specific point because there are other models; you have recognised those. We have a nexus here between the disbursement, the cost of administration and the point you have raised about the recognition of where the money is coming from. The ACT model, for instance, provides for the Gaming Commission to identify or register or approve a list of charitable or suitable organisations in the community, and the local gaming operator distributes a percentage of the money directly to community groups and receives recognition for that, and then is accountable back to the Gaming Commission for the moneys that they have donated to this approved list of charities. Would that have appeal to the AHA, do you think?

**Mr HANNA** - I think my first reaction would be possibly yes, that does seem like quite a reasonable way to distribute those funds.

**CHAIR** - Do you think it would reduce administration costs significantly?

**Mr HANNA** - I must admit I do not have a very firm handle on what the administration costs are for the Community Support levy. I believe that sort of model possibly could reduce the overheads. There would, of course, probably need to be a pretty rigorous process and pretty rigorous controls put in place, but I do not believe that would necessarily be a barrier. I think it possibly could be done, and again this is just my initial reaction to it without necessarily having consulted with my membership on it. That might be a way that the source of funds is more readily and easily identified.

**Mr DEAN** - Also it provides recognition, does it not.

**Mr HANNA** - That is right.

**CHAIR** - And the funds are distributed in the communities from which they come.

**Mr HANNA** - That is right. Certainly my first reaction to that is it is probably worth further consideration. I think it has probably quite a few positives attached to it.

**CHAIR** - I wonder whether you would solicit an opinion from your membership at a suitable time and advise the committee accordingly?

**Mr HANNA** - I certainly will. So that would be a similar model to the ACT's?

**CHAIR** - Yes.

**Mr HANNA** - I will endeavour to get that back to the committee as soon as possible.

I think any other relevant issues have probably been covered in my initial presentation. Overall, just in summarising, though, we think the Community Support Levy is a valuable tool. It is a good way to, I guess, recycle some of the funds from gaming and ensure that they are put back into projects of real community value. They also benefit a lot of small charities, a lot of small clubs that maybe do not always have access to other



sources of funds, and I think they are a good fit, given that hotels are already providing to local associations, to their local community, and this is another way that it can be achieved. So, yes, I certainly see the Community Support Levy is valuable, and I just wanted to make comment as well that the CSL does provide services and research into problem gambling. It also funds those counselling services that I discussed that lead to self-exclusion. That part of it is also extremely valuable as well as the charitable grants and we would want to see that continue.

**Mr DEAN** - Still on that problem gambling, you are saying that research is done. Do you believe and does your organisation believe that there is sufficient work done in that regard - that is, researching, going back to problem gamblers and identifying them?

**Mr HANNA** - Quite a bit of research is already conducted by government. I know the Department Health and Human Services has a pretty comprehensive funding round for research. I know that they conduct their own research too into the incidence of problem gambling. The Gaming Commission also has in the past produced very valuable statistics about gambling, not just for Tasmania but for all of the country. They have done that and that has been a very valuable product and tool.

There is also a range of other research that is not necessarily funded by the CSL. There is international, national and I am sure other State research that is being conducted as we speak in the academic community and also through a range of other organisations and associations, all of which can have some relevance to the Tasmanian context.

**Mr DEAN** - I just want to take that a little bit further . I can use an example without a name. I just wonder what your organisations do themselves to identify with problem gamblers. A recent case brought to my notice was that of an elderly lady who was at this one gambling venue almost every day, using all of her money and ripping money off other people to gamble.

The people who are complaining to me are saying that that venue knows very well that she is overspending, but they are doing nothing about it. Is there any responsibility or onus on them? What do they do in that situation?

**Mr HANNA** - Through the responsible service of gambling course we actually address some of these issues. Of course it is always very difficult if the individuals themselves do not recognise that there is a problem. I guess we need to get in context in that the level of expenditure and other flow-on problems to an individual can be managed by some and not others. So for example, one individual spending \$200 a week for example might not be a problem; they can sustain that, they are in control. But others cannot sustain it and are not in control. It is a very difficult line to draw. Where is the person still in control and where have they lost control? I do not think that it can always be done on the level of expenditure.

Notwithstanding that, through the training course we do teach people about some of the behavioural traits for what may be classed as a problem gambler and some onus is put on staff. Indeed, if they identify someone who they think may be showing some of those traits they look at how that issue could be handled. In fact a lot of staff do ring the 1800 number and they do ask for advice themselves because clearly they are not counsellors and they do not want to impinge on someone's freedom to do something if they do not

have a problem. It is obviously a very sensitive area. But it does happen from time to time because sometimes intervening may be appropriate.

From what I understand from the research from around the world, often the most effective person to identify someone's problem with gambling - or, indeed, with any product, be it alcohol, drugs or whatever - it is usually a loved one or the individual themselves; it is not always someone at the venue who is going to be the most effective person. So we always try to keep that in mind. We have to remember that a vast majority of people who play gaming machines do not have a problem; they remain in control, they know what they are doing.

It is a difficult dilemma. If someone has not recognised that maybe they have a problem, how can that be managed? As far as I know, it is generally better to be a loved one or the individual themselves, but the venues do look for that behaviour and if they do think it is appropriate then they may intervene - but obviously in a very sensitive way.

**CHAIR** - I thank you for your contribution this morning, Daniel, and we await your further response to the query that we have made.

**Mr HANNA** - Do you have a particular timeline? Obviously you would like to wrap up this inquiry as quickly as possible.

**CHAIR** - We have the Gaming Commission appearing before us next week - on March 16. Immediately after that time we will try to get a draft report together with a view to reporting to the public sometime in April or May.

**Mr HANNA** - How about I endeavour to get something to you by 16 March.

**CHAIR** - That is fine.

**THE WITNESS WITHDREW.**

**Mr MATT ROWELL**, CHIEF EXECUTIVE OFFICER, TasCOSS, WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

**CHAIR** (Mr Fletcher) - Matthew, we have noted your submission, and obviously there are some questions we want to ask of you with regard your submission, but we might take the opportunity in the first instance to allow you to overview your submission or add to it in any way you wish to, or highlight or draw our attention to any particular points.

**Mr ROWELL** - Thanks, I appreciate that, and I appreciate the opportunity to speak to the submission today as well. In support of the submission which you have all read I want to highlight some of the issues and the recommendations that we have made, that we see as a particular priority for TasCOSS and for our member organisations. You will note that there are some 19 recommendations throughout the submission. I will highlight a few of those and use some specific examples provided by community sector organisations as a way of teasing out those recommendations.

The first issue that is important for us, which is highlighted throughout the submission, is that of strategic planning. We assert that it is essential in the distribution of community support levy funds that some planning and consultation is conducted in order to ensure that where the funds are distributed are the areas and the communities that are most in need, and that those consultations and planning processes might result in an acknowledgment that, with the significant amount of money that is in that fund every year, we may be able to provide some opportunities for early intervention and prevention programs rather than small-scale primary intervention programs that are currently funded.

You will note that we also assert a formal linkage to the Tasmania Together framework. We know that government departments are required to make linkages to Tasmania Together in their own planning processes and in the work that they do. TasCOSS has a formal partnership agreement with the Tasmania Together Progress Board and thinks that linking the Tasmania Together framework to the Community Support Levy distribution process is one of the ways of ensuring that the benchmarks are worked towards. One of the suggestions that we would like to make is that, in the event of the assessment panel being reconfigured in any way, a member of the Tasmania Together Progress Board be admitted to that panel.

I think it is important to note that regional areas of relative disadvantage be highly considered in targeting funds for programs, and there is a lot of data that exists already about socioeconomic disadvantage in particular of regional communities and suburbs around Tasmania. Whilst the distribution process does give some consideration to north, north-west and south of the State, there are some particular hot spots around the State that we are aware of that could use significant injections of funds for services. An example is that one large, reputable organisation in Tasmania reports to us that the amount of funding available and the time frame required for them to acquit that funding for a specific project in the northern suburbs of Hobart was prohibited from being successful because the maximum amount of dollars that were able to be allocated and then the time frame required to acquit those dollars did not allow the development of community-based services to occur in any meaningful way. At the end of that contract the community was left with expectations of services being provided to them which the

organisation was unable to commit to because there is no ongoing funding provided for that particular project.

We also assert that the assessment and distribution process be managed by an independent community board and that the board be given greater power than the current assessment committees and that a streamlined approval process at ministerial level be introduced. We talk throughout the submission about the distribution process, particularly for the DHHS-funded grants, which go through an assessment panel, then go to the respective minister, then to the Tasmanian Gaming Commission and then to the Treasurer for sign off. One member organisation reports back that there was 15 months between the time of their submission and the time of their grant being received by the organisation.

We suggest that research needs to be attended to in budgeting right across the whole of the Gambling Support Bureau dollars, including the charitable grants money. We know that there is \$189 000 over three years committed to the research agenda. We know that half of that approximately goes to evaluation of Break Even services and community awareness campaign work. We think there needs to be a much higher level of commitment to research. Community organisations that put forward innovative proposals for research funds are knocked back because there is not the capacity at the moment in the current structure for community organisations to be funded to do research. We know that there are a lot of benefits in committee organisations being able to conduct research based on their access to services and clients in the communities in which they operate.

We also recommend that the Research Advisory Committee, which has been defunct, I suppose, for three or four years now, be re-established as a way of setting the research agenda and that that Research Advisory Committee have representatives from the industry, as well as from the community sector and government departments.

One of the common themes that we hear from our member organisations is that, based on any strategic planning and consultation process about how the funds are distributed, targeted initiatives be identified and funded to a greater level and for longer periods of time. We know that the grant limits of \$2 000, \$10 000 and \$30 000 are often not attractive to organisations because of the increases in CPI that organisations face, as well as things like the increases in salaries that community service organisations have just received. The fund gets less value for its dollar than it did three or four years ago, given those cost increases across the community.

Another example comes from the Derwent Valley, which is an area that we know is exceptionally disadvantaged. An organisation again set up services to meet identified need using a mixture of Community Support Levy funds and some other grants, but when they reapplied for an extension to that funding under the grant they were knocked back. The words that were used were 'because it was like recurrent funding and recurrent funding is not one of the criteria used in the levy'.

We think that the process of dissemination of unspent accumulated funds - and I understand there is some difference of opinion about how much there is in that account at the moment - also needs some attention. I guess the key issue that we have heard from organisations is the one of organisations being denied funding through their normal

application process because the project is seen to be too similar to core government business. Yet, in 2003 when \$1.6 million was shifted out of the levy into other government department budgets for services, the list of those services looks very much like core government business and projects that were working through normal budget processes and should have been funded out of line agency budgets anyway. Community sector organisations were then not given an opportunity to compete for those dollars in a difficult financial environment, and nor were they consulted about where the need was in relation to those particular programs. So for organisations it felt like there was a strong double standard in play at that time.

I guess that in order to stop the public perception of funds being accumulated at the cost of organisations who are unable to maintain operation because they have to struggle from grant to grant without any ongoing administrative costs, targeting initiatives in terms of larger amounts of money and longer period projects is important to make sure that those dollars do not build up.

We see that across so many areas that TasCOSS works in that there are large levels of unmet need. An example of that is in the disability sector, where there has been a very low level of grants provided from the Community Support Levy into any disability-type services at all, despite the fact that we know that there are 470-odd people on disability service waiting lists at the moment as well.

As I have said about small community organisations, my vision for the community services industry is one where we have a range of organisations, including the large-scale organisations right through to the small-scale organisations. And we see it as really important that, if organisations like that are struggling with maintaining their operation because they are unable to get some support in basic administrative and operational costs to enable them to take on project work or take on small contracts from funds like the Community Support Levy, if there are surplus dollars around then some of those organisations could be provided with some ongoing funding for periods longer than the six to twelve months that it takes to acquit a grant of \$300 000.

I guess they are the key bits of the submission that I wanted to highlight today.

**CHAIR** - I just want to clarify your position. Your argument for change or reform seems to be based on the assumption that there is money there that is not being expended, that there is a surplus of funds that for whatever reason is not being distributed. Am I right in assuming that is your position?

**Mr ROWELL** - Some of the recommendations we make are about that. If there are high levels of unspent funds accumulated in that particular account then these are some of the ways that can be spent. The other assumption is that we know that there are reasonable levels of money being dispersed to the community already, but we think that the number of grants that are being provided and the level of those grants are probably not the best use of money that is available.

**CHAIR** - Can I assume then that you have criticism of the assessment process and the manner in which and whether or not the assessment processes recognises community values.

**Mr ROWELL** - Absolutely. I think that the assessment panels are probably tied with the criteria they currently have in that they have to distribute a million and a half dollars at a time to so many organisation in grants of \$30 000, but to our knowledge there does not seem to be any planning about what type of activities might be funded under that particular funding round.

The Tasmanian Community Fund, for example, is a good example of doing some solid consultation with the community sector and with Government departments about where the bottlenecks are in relation to unmet need in community services, and what areas have high levels of disadvantage but low levels of service delivery. And I think that they have made some decisions to target some initiatives, things like early childhood and family support services, for example. So the process of consultation that then determines some strategic priorities of funding would be one that we would be keen to participate in.

**CHAIR** - Are you saying that the assessment unit within the Department of Health and Human Services is deficient in some way or lacks the capacity to be able to access community values?

**Mr ROWELL** - Without any disrespect to the individuals around the table I would suggest that as we say throughout the full submission, it is very heavily weighted with bureaucracy that there are some community sector representatives but that they seem to be heavily outweighed by government department employees.

**Mr BARTLETT** - You talk about the research budget being \$189 000 over the course of three years. Much of that, from what you are saying, is taken up almost in market research or research into how particular campaigns have run. What forms of research and specifically what sort of dollar value would you want to see coming out of that, I suppose?

**Mr ROWELL** - There are a number of components to that, and one is that we have asserted in the past that when applications for licences for new venues are received there should be some impact study of that local community in terms of the needs of that community.

**Mr BARTLETT** - I will be a little more specific. Are you talking about research that would enable better provision of services down the track and better targeting of services to those most in need and most affected, this 1 per cent or whatever it is of problem gamblers?

**Mr ROWELL** - Absolutely, and I guess that, whilst there is some value in the prevalence study data that has been done in the past in terms of giving us some indicator of how many Tasmanians are likely to be on the spectrum of having a gambling problem of some kind, what we hear from our member organisations, from community sector organisations who see clients for a range of issues, is a much higher level of either direct problem gambling issues or being affected by it. Some organisations are reporting between 4 and 5 per cent of their client base either have a direct gambling problem or are being impacted upon by a direct family member, so we would see that in trying to get a sense of which communities are most vulnerable, what is the full social impact of those gambling problems across the Tasmanian community, and paying particular attention to certain geographical areas, I suppose, we will be able to set the agenda for where break-

even services are provided, where emergency relief services are provided, and what other support services need to be put in place to deal with that issue.

**Mr BARTLETT** - Do you have any sort of estimate about what factor times \$189 000 that should be?

**Mr ROWELL** - The figures that have been thrown around - and I know Anglicare will speak to this later this afternoon - have been more in the vicinity of a couple of hundred thousand dollars for some kind of longer-term research agenda.

**Mr BARTLETT** - You talked about the very competitive sector, obviously, in terms of accessing funds, competitive in that sense, and said that longevity or security, I suppose, over the course of two or three years for some of your member organisations is important. Do you think the CSL at the moment, or should it, meets requirements such as baseline administration funding over the course of three to five years or longer terms than perhaps you can currently apply for under the CSL?

**Mr ROWELL** - I think that, because the grants are only to a maximum of \$30 000, it means you have very little time to acquit them, so essentially how do you use \$30 000 to meet client needs in any meaningful way? It does not take you any further than six or 12 months, so it makes it very difficult for small organisations who rely on project funding to be able to establish themselves or to deliver services that they and their community see as being essential services. So having the capacity for one or two-year contracts even would make a much greater difference to those organisations.

**Mr BARTLETT** - Which I guess goes back to your original point about strategic planning.

**CHAIR** - I would like to add a question in relation to David's several propositions. Several organisations which have appeared before the committee have raised this matter of administrative costs, and the issue I would like you to develop further is whether it is legitimate for a community not-for-profit organisation to base its operations on a recurrent funding from the Community Service Levy on the understanding that the reason they are in business is to meet a community need, but the only way they can stay in business to meet that need is to get recurrent funding every year -

**Mr ROWELL** - That is right.

**CHAIR** - from the CSL, or whether there ought to be an expectation that this might be limited to an initial three-year period, and at the end of the period that organisation has to be stand-alone in nature or fold up, I guess, one way or the other. I wonder would you comment on that?

**Mr ROWELL** - I guess that most community sector organisations funded by a State department in any way have a maximum of three-year service agreements, so as recurrent as they can be, they are only up to a period of three years generally. For community organisations who are being established or who do not have, I guess, a core grant from another government department but who have an acknowledged and identified community need to meet a three-year service agreement to allow for those administration costs would be useful. My sense is there would need to be some direct link to service provision as well but, if an organisation in our sector or one of our

member organisations is able to plan three years ahead, it makes it a lot easier in terms of staff recruitment and retention, business planning, accessing other funding opportunities, being able to provide services in the longer-term other than having one small grant that can allow us to provide one service for six or 12 months and then we are not sure whether we are in operation any more.

**CHAIR** - Your answer to Mr Bartlett was that \$30 000 prohibits that happening; it is just not enough grant?

**Mr ROWELL** - Absolutely. If organisations needs to take some percentage off that for their overhead costs like rent, for example, it then reduces the amount of dollars that go directly into client delivery.

**Mr STURGES** - Mr Rowell, you are indicating quite clearly that a greater proportion of CSL funds be committed to research. I have heard what you have said in response to previous questions. But if more funds are going to be committed to research, where do we take that money from? I got the flavour out of your submission - at the risk of putting of putting words in your mouth - that you are concerned that perhaps too much funding is going through Sport and Recreation. Would you care to elaborate? If we are going to take money out of the bucket, where do we take it from?

**Mr ROWELL** - We make it clear in the submission that the funding that goes to the Gambling Support Bureau secretariat is really important. We think they are under-resourced as well. I think the sport and recreation issue is a very difficult one for us because of course any vision of a robust civil society includes community services as well as sport and recreation and arts opportunities. Some organisations have asked, 'Is that the best use of funds for communities?', but that is certainly not our line.

**Mr STURGES** - So you are not suggesting that disadvantaged communities don't need some sport and recreation?

**Mr ROWELL** - No, absolutely not. We would not advocate that. We have merely noted in the submission that some organisations have reported or questioned the split up and whether 50-50 of that charitable money is the right split or not. That is just a report back from the members. I guess it goes back to the chairman's question about the assumption that there is some unspent money or uncommitted money left in those accounts every year and, if there is, even a one-off research agenda in the first instance that could then drive the planning process for the way the rest of the money is spent would be useful.

**Mr WILKINSON** - With your experience, Matt, you were saying that \$30 000 not being enough and therefore you must have an idea as to what would be an appropriate figure. What is the appropriate figure? You say now that \$2 000, \$10 000 and \$30 000 are not what they were  $x$  amount of years ago, so what are the proper figures?

**Mr ROWELL** - I think the \$2 000 grants have helped some organisations with some small capital investments and have been useful in some ways. In terms of what you can do for \$10 000 or \$30 000 is severely limited. If you look to other funding bodies and the way that they do it, there is generally a scale of between \$5 000 and \$150 000, depending on what the project is and what evidence there is for the project. So I would look towards some kind of parameters rather than an actual figure, with an absolute maximum of



course. I think it is really important that you put some boundaries around the limits but, if you look to the Tasmanian Community Fund process, which our sector reports high levels of satisfaction with in terms of the process, they have a lot of flexibility in the amount of dollars they provide. They require increasingly more information and detailed business cases for higher levels of spending, so for over \$100 000 one is required to submit a detailed business plan. I would be looking for a flexible scale.

**Mr DEAN** - I want to advance the point that you made in relation to one application of which you were aware, which took 15 months to turn around. We had evidence provided yesterday that in those instances, or in most of those instances where that occurs, where there is time, that is a cause of the organisations seeking the funding, because of their failure to provide the follow-up information and to follow up whatever they need to do.

**Mr ROWELL** - This particular one, I understand, is not the case. They did provide the information in a timely way. That is all I know about that particular case.

**Mr DEAN** - Is that a one-off then or are there other instances where you say the turnaround is slow?

**Mr ROWELL** - People have reported on the turnaround being slow but I suspect in a general sense that is about the number of applications that are received. In a general grant round it does take some time to assess several hundred applications for funding. It is not a quick process but for an organisation that was eventually successful 15 months is a long time. For me that indicates a problem in that some applications are rejected outright from the start and with some they have the capacity to negotiate with and seek further information. But there is nothing in the guidelines about that and there is no clarity or consistency about the situations in which that occurs so its seems to be at the discretion of the people around the table at the time.

**CHAIR** - Mathew, you have agreed with me previously that your proposition is at least partly based on the presumption that there is a surplus of funds there and it ought to be used and there is no disagreement with that. The committee has received evidence from government that that is not the case and in fact there may be a processing problem. But the demand for funds exceeds the capacity to supply and it is a matter of getting it out, albeit a bit slowly, but perhaps the change is coming.

The committee has not reached a decision in relation to that - we have not had a chance to discover whether or not demand does exceed supply. But suppose we take that proposition that demand does exceed supply, does your proposition that the grants ought to be increased to favour some on the presumption that it would disadvantage others still apply?

**Mr ROWELL** - Yes, because I think that from what we understand of the application process there is a range of applications that may not actually be appropriate. If there were some planning and consultation about where the money is best going to have an impact in communities, where it is going to have the best value for dollar, then that should reduce the number of inappropriate applications that are made and therefore decrease the competitiveness of that fund.

**CHAIR** - The TasCOSS position would be that you would rather three of your organisations adequately funded than have six partly funded?

**Mr ROWELL** - Yes - adequately funded in areas where we know there is some evidence about the need for services to be provided.

**CHAIR** - Okay. Other questions from members?

**Mr STURGES** - In evidence yesterday we were told by the person making the submission that this perceived surplus may be as a result of government reporting process not necessarily lining up with the distribution process. Would you care to comment on that?

**Mr ROWELL** - I cannot comment on that because we go on the information that is provided to us by government. We go on the reports that are provided to us at the end of every financial year and we go on briefings that I get from Mr Cox about that information. We know that at times there have been because we know that \$1.6 million was moved very quickly out of the accounts to get rid off the surplus in 2003. So, whether or not there is still money in that account, I do not have that information. I guess it is based on the analysis that we did, for example, on the Gaming Commission annual report.

**Mr STURGES** - I probably was not quite specific enough there. If we were to make a recommendation in our report, would TasCOSS accept a recommendation being reasonable that allocated money but not necessarily expended should be recognised in the reporting process to take away that perception of a huge pool of money?

**Mr ROWELL** - Yes. And we have called for an increased level of transparency about that reporting, so we would certainly support that.

**Mr BARTLETT** - You made a statement in 2003 that seemed to be saying that the grants process was usurped by some other process. Can you just elaborate on that?

**Mr ROWELL** - My recollection is that it was not usurped by but there was some community pressure at the time about there being a real accumulation of funds in the account and a way to do that was to try to provide some dollars into some service areas. However, the concern and the community sector had was that this grant is for charitable organisations, and money that would normally go out through the grant process to charitable organisations did not; it went to government departments primarily. Some of it may have actually gone into some community sector organisations, but not a lot of it, and without any consultation with the community sector. So that was our concern - that there was \$1.6 million there that should have been made available to target community sector initiatives that we were not given an opportunity to participate in.

**Mr BARTLETT** - And that has only happened the once has it?

**Mr ROWELL** - Yes.

**Mr DEAN** - You made some comment in relation the independence of the board. I think you are saying that you would like to see it replaced with a community board which would probably provide more independence. When you look at the current constitution of the board there is certainly one independent member there, Mr Estaugh, who is

absolutely independent. He is in private business. Kate Warner is from the university, and also Mrs Thomas. What are you saying there then when you say there should be more independence? Are you saying they are too close to government?

**Mr ROWELL** - Well, what we are actually talking about is replacing the assessment panel with an independent community board and reducing the power of the Gaming Commission in this process. So, as I said earlier, we have two ministers plus the Gaming Commission plus the Treasurer who have to sign off on grants being expended, which slows the process down. There is a perception in the community that the Gaming Commission is very close to Treasury, and they have significant power in allocating funds that come from the industry to the community sector, but also have to go through the ministers and through an advisory panel now. Our recommendation is about replacing the advisory panel as a first with a community board similar to the Tasmanian Community Fund that is independent of government, but that reports to the Gaming Commission. We are not saying keep the Gaming Commission out of the loop, but we are saying the act does not specifically give the Gaming Commission delegated power to have any say over where those funds are spent. Given that is the case, why do they have to have sign-off, given where they are situated in Treasury and Finance? Let us report to them about where they are going, have even, if you like, a ministerially appointed independent board - that is fine - but replace the assessment panel with that external board and report to the commission.

**Mr BARRATT** - Is the Tasmanian Community Fund a model that you would look at or encourage like that?

**Mr ROWELL** - Yes.

**Mr DEAN** - You also made some comment, I think, on the capacity of some organisations to be able to, I guess, put their applications together. That is what you are meaning in that regard, I take it. How can that better be done? What is your position on that to improve that?

**Mr ROWELL** - I do not think I have actually commented on that specifically in the submission.

**Mr DEAN** - I had recorded here that you mentioned the capacity of some worthwhile organisations.

**Mr ROWELL** - Yes, the capacity of the organisations, I guess, to continue in existence or continue to manage projects and seek further funding is reduced when - I think it was probably in light of the administrative costs argument that we were talking about earlier, rather than actually writing a submission. We do certainly have a problem in the community sector of IT capacity, particularly for smaller voluntary organisations, and ability to do sophisticated application processes that are based on e-mailed files, for example, which is outside this process.

**Mr DEAN** - How can that be improved?

**Mr ROWELL** - That is a whole other research project we are about to start, I think.

**CHAIR** - Matt, you made comment in your submission with regard Health and Human Services directing certain CSL moneys towards healthier lifestyles and family violence, and Our Kids and those sorts of social programs that are undoubtedly of benefit to the community, and undoubtedly they have the legal right to recommend appropriations in that area. What do you see as being wrong with that sort of program?

**Mr ROWELL** - I do not see anything wrong with the specific programs, Mr Chairman. I guess the process by which the decisions were made about where those dollars were going to go was what we saw as being flawed at the time so that, as I said in answer to a question from Mr Bartlett, in relation to that \$1.6 million that would normally be made available to community sector organisations, that was not.

**CHAIR** - So you are identifying these programs as being core to the health and human service delivery and they ought to be funded from the global allocation and appropriations, rather than from the CSL?

**Mr ROWELL** - Yes.

**CHAIR** - Would that be a widespread opinion?

**Mr ROWELL** - As I said, the submission is based on the views of our members, so it is certainly a perception.

**CHAIR** - How many member bodies do you have?

**Mr ROWELL** - TasCOSS has 105 members at the moment, but our full target group who we consult with whenever we do these things is about the 240-odd community sector organisations that DHHS fund across the State.

**CHAIR** - The other matter you raised in relation to both your verbal submission and written submission was in relation to linkages between Tasmania Together and the CSL, and perhaps the Community Fund might be introduced in there. I think you argued that there are no linkages and that there ought to be. I wonder if you would develop that theory.

**Mr ROWELL** - As the peak body for the community sector, we have really encouraged community sector organisations to link their activities where they can with the goals and benchmarks contained within the Tasmania Together document. We see it as being an important framework for Tasmania and understand that it is here to stay and as a community we need to engage with that process. We know that there are a range of benchmarks and goals contained within it that I guess require the participation of the full community to see them being progressed or achieved. One of the ways for that to happen is to link the Community Support Levy funds and the initiatives that may be targeted to particular benchmarks in that way.

We know that other government departments do that in their planning and their service delivery processes. The community sector organisations are also now developing strategic plans linking them to the goals and benchmarks contained within the document. As I said, a number of us have a formal partnership agreements with the progress board and actively participate in alterations and additions to benchmarks and to data.

So I think that for any government-auspiced funding program of this scale it would be essential to link the Tasmania Together process to it.

**CHAIR** - Are you suggesting that the guidelines or the strategic direction spelt out on the web, or information that is sent out, does not identify Tasmania Together benchmarks?

**Mr ROWELL** - I think that probably the material on the web site alludes to a link to Tasmania Together but I think that in the targeting of and planning of where money is best placed that should then be linked to the Tasmania Together output. Organisations should be asked, in their applications, to respond to which of the benchmarks link with this or will contribute to that process.

**CHAIR** - Thank you.

**Mr STURGES** - I am going to step outside the square for a moment. I may be way off track here but I am just picking up on that line of the capacity to be able to strategically plan and meet the needs of those hot spots you have referred to. In taking up the theme, I do it on the basis that you have made mention of the need for some certainty in regard to recurrent funding, as we would all like; I understand that. So sitting outside of the grant box, what would your comment be to establishing more formal public-private partnerships with government through the CSL? Rather than just applying for a grant where, through the strategic planning process, areas have been identified for work to be undertaken, what would your comment be there in regard to more formal partnership agreements being established for funding through the CSL?

**Mr ROWELL** - In particular with the private sector?

**Mr STURGES** - Not-for-profit organisations would probably be more specific to some of your members.

**Mr ROWELL** - Absolutely and some organisations are thinking outside of the square in that way. I think that we are seeing an increase, probably not in the Community Support Levy but certainly in larger funding programs that come from either the State or the Commonwealth. We are seeing more partnership being formed for the delivery of services.

**Mr STURGES** - Can we just stick with the CSL because we are talking about a sizeable bucket of money there. Again, I am just taking up the point that you made about the need to be able to strategically plan and be assured of some recurrent funding so that the project can be completed. I think that you mentioned in your verbal submission that there have been situations - at least one you mentioned in the northern suburbs so I pricked my ears - where the project was not able to be completed. So on that basis, if there was a more formal arrangement with a partnership being developed would you see that as being able to meet that need?

**Mr ROWELL** - I think that partnerships are really important. We have a service system that provides community services across the state; different organisations have a different suite of services, if you like, in different areas or different suburbs or different regions. So I think that it is really important that community sector organisations and indeed human services organisations whether they are government or non-government, need to

be a bit smarter about partnering-up in order to meet those needs. So I absolutely support that.

**CHAIR** - Would you comment on the proposition that more than one funding round per year might advantage the process?

**Mr ROWELL** - I guess we had not given that any thought. I think that more than one funding within its current parameters of \$30 000 maximum grants is probably not be something that we would support, given that it does take time and effort for organisations to develop ideas, put them on paper, develop partnerships if they are going to do that, and get a submission lodged. I guess if there was some greater flexibility in the guidelines then that may well be useful.

**CHAIR** - On a different matter, can I ask you to comment on the need for greater flexibility within the statutory allocation of 50 per cent and 25 per cent. Should there be some easing of those legislative restrictions to enable, where there is unexpended money, money to transfer to another area in any given year?

**Mr ROWELL** - I think it is important that there is some flexibility. Graeme asked the question in relation to where would the research money come from. If there was an area of under-expenditure and another area that needed an increase, then there needs to be some process to allow that to happen, I think.

**CHAIR** - The other model is the model of the ACT for the distribution of funds. In the ACT model, as I understand it, the authority, in this case the Gaming Commission, identifies in every community a set of approved charities or recipient organisations and then provides the opportunity for the local gaming venue to distribute funds according to their judgments within that community registered group. The proposition is that that recognises that the money is distributed in the area from which it comes, that it minimises administration costs both at a government and non-government level. How would you respond to that proposition?

**Mr ROWELL** - If the issue was about organisations receiving funding directly from gaming providers, I think you would see a range of organisations who would no longer submit for that money because of the ethical fundraising decision-making that needs to occur, and I think there would be a range of organisations who are key players in this State that that would rule out, so I think that would be inflexible.

**CHAIR** - I do not quite understand the logic of your argument. You say that they are prepared to accept the money provided it goes from the local to the government to the organisation, but they would not accept the money if it went from the organisation straight to the community group.

**Mr ROWELL** - If by the organisation you mean the gaming provider, then I guess the way that the community sees the current amount of money is that it is government taxes. A lot of what is funded in the community service industry is tax-based revenue, so whether it is gaming money or not, it is seen as a tax that government places on gaming operators and then is disbursed to the community. It is not seen as taking a grant directly from a gaming provider, which does open up some questions for organisations about ethical fundraising, and most organisations have policies about that particular issue.

**Mr WILKINSON** - Really you are just saying it sanitises what was going to be maybe a conflict in the first place.

**Mr ROWELL** - Yes, it does in some ways. And I do not claim to represent every organisation on that view. There is a diversity of opinions in the sector.

**Mr WILKINSON** - The majority of your argument seems to me to be saying there has to be some more flexibility in the system overall. Some areas obviously are inflexible, but in the main the system has to be more flexible.

**Mr ROWELL** - That is right. It has to be responsive to the community's needs rather than the guidelines, I guess, setting what community needs we can then meet.

**CHAIR** - I wonder would you again stress the reasons you believe taking the decision-making process away from the departments and the ministers and Treasury and eventually the Gaming Commission and giving it to a community board would be an advantage. What real advantages would flow if that recommendation were to be followed?

**Mr ROWELL** - Given the current structure in ministerial approval that goes through the Gaming Commission to the Treasurer, I guess people are not really clear about who actually has final delegation in relation to the funds. I think that people think a community board would have some independence of any political agenda and would be better placed to respond to community need and, given the perception about the Gaming Commission and where it is located at the moment, I think there is a perception that if that is where the decisions are really made then are they in the best interests of the community. So I think there is probably some PR stuff in it for government as well in relation to have a community board that is seen to be independent of government and of the commission.

**CHAIR** - Just to encapsulate in response, you mentioned earlier the need for good studies, and I think you have addressed that to some degree in both your verbal and written evidence. I wonder whether you would make a brief statement about the perception by TasCOSS of the need for further gambling studies and what sort of a priority that has in lining up for the scarce dollars that are available.

**Mr ROWELL** - It has high priority for me because it is about where do you then target the money that is spent, and where can other service systems and other parts of the community that are providing services to people affected by problem gambling best place their resources. I think it is really important for us to be able to set the agenda about what needs to be spent in the area of problem gambling, what needs to be spent in vulnerable communities and, for me, doing that one-off social and economic impact study is of highest importance.

**CHAIR** - Thank you very much. I thank you for your attendance and the openness and the commitment that you have given to your subject, and we look forward to reporting in due course.

**Mr ROWELL** - Thank you for the opportunity to appear before you.

**THE WITNESS WITHDREW.**

**Mr CHRISTOPHER JONES AND Ms MARGIE LAW, ANGLICARE, WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED**

**CHAIR** (Mr Fletcher) - It is my pleasure to welcome Mr Jones and Ms Law to the committee to give evidence to the committee on behalf of Anglicare and to the parliamentary enquiry and/or review of the community support committee. Chris you have not submitted a written document so we are waiting for your verbal contribution to this committee. I wonder whether, in making your comments in relation to Anglicare, you have assumed that there is surplus money there that should be distributed or whether your concerns are more fundamental than that. Do they apply whether there is a supply greater than the present demand or not?

**Mr JONES** - Thank you Mr Chairman for the opportunity to appear before this committee. We have some written material that we can leave with you but we thought it was useful to make a presentation to begin with.

Our fundamental concern is whether there is surplus money there or not, but also goes beyond that. It is a question about what the actual deed indicated should happen. When the act was put into place, and the deed and all these other arrangements that are all there, there were certain assumptions that we feel have not actually been met by the government. Fundamentally, they go to the research component. One of the key concerns that we have relates to the lack of adequate research into what happens in Tasmania. We were really hoping that research can take place.

We really need to know what the cost to the Tasmanian community is of the electronic gaming machines. If we take that as the genesis of the Gaming Control Act then I think that is what we need to look at. So fundamentally what we are after is for the research to be undertaken. The questions about what money is left and how that has been allocated are at some residual concern but at a fundamental level one of the things that we are saying is that we really ought to have more research undertaken.

We fail to understand why the Government has continued to resist this. We have put in some submissions to look at some of the issues around problem gambling. We're not saying that they would need fund ours, but we think that there are certain things to be done. For instance, we submitted a study, an application to do some research to do with twin towns. I do not know whether anybody watched that television show some time ago, but what we were trying to do was actually look at what was happening in one town where there was a particular prevalence of gaming machines as opposed to another town where there was not.

We could do some of that sort of stuff to identify the problem in Tasmania. So it is not sufficient for us when the minister responsible says there is plethora of research. What we are asking is how does it impact on Tasmanians, what is going on for Tasmanians. That would be our core concern; underlying everything else would be that we need to get adequate research happening.

There are some other concerns that we would have. One would be about how the funds are actually distributed. We are concerned that there could be a leaking of funds from the Community Support Levy into other responsibilities that exist for government. We



think there should be greater transparency about that; there should be some proper reporting about how that is done and what some of the connections are and some of those things, because I must say it is difficult at the moment. For instance, the Tasmanian Health and Wellbeing fund; what is actually going on behind the scenes with some of that, how the money is spent, what are the outcomes, how does it relate to other things? That sort of information is not readily available to us now.

I think there is also some question about the administration of what has to take place within the Department of Health and Human Services. With the Gambling Support Bureau, why are the funds for those staff taken out of the fund, as opposed to actually being paid as a core function of the Department of Health and Human Services. We would think that ought to be looked at again because it does not seem to be the correct way to go about that.

I would have thought that was not a bad opening start Mr Chairman. Those are the sorts of things that we have had in mind. As I have said we have now been able to put a paper together for you.

**CHAIR** - You opened by stating that certain assumptions that were central to the introduction of this Community Service Levy have not been met. I wonder if would you cite the base from which you draw these assumptions. Is it a *Hansard* record or the law or is it the debates in the Parliament? Can you give us an authority for reaching that assumption?

**Mr JONES** - I introduced Margie before but she works in our social action and research centre and so has some responsibility for that.

**Ms LAW** - There were a number of comments made in the parliamentary debate back in 1993. One that we have included in this presentation is Mr Bailey MLC checking on what the other health services in the Community Support Levy were meant for. He puts to Parliament:

'So the reason for putting in other health services is that if the funds that are to be allocated pursuant to this 50 per cent exceed the amount that might need to be appropriated in relation to gambling problems, they can be used for other health services. Further, that the intent of the legislation is for related health services where there is some dependency on alcohol or other drugs'.

Now we are probably not suggesting that all of the Community Support Levy needs to go just for gambling or drug-related problems, but we feel that at the moment, with only \$300 000 having been spent in the last 10 years on gambling research that sufficient funds have not yet been spent on gambling research while at the same time large amounts are being put to other health services. So it is not necessarily a case that the money is being ill-spent but we feel that the intent of the act has not been met.

**CHAIR** - Are you citing Mr Bailey's comments as being a reflection of the will of the Parliament at the time, or the comments of Mr Bailey as an individual member of parliament?

**Ms LAW** - I think it was the will of the Parliament. I was not there so it is hard to say that deliberately, but if you go back to *Hansard* of 3 December 1993, his quotes are on page 5618. If you reread and read leading up to that and after that, I think you will find that it was in general agreement that the Community Support Levy was primarily to deal with problem gambling, which is not just the counselling side of it. It is also the public health side of it, and for all of that, research forms part of how a government goes about deciding on its priorities. And so that is where we feel that there was a will at that time.

**Mr WILKINSON** - It sounded to me as though he was rephrasing the answer that was given to him by the person who would have been taking the bill in the upper House at that time. Is that right?

**Ms LAW** - I do not have the full *Hansard* right here, but he couched it in what we considered to be a useful and clear way, but if you go back to *Hansard* from that day I think you will find that it was the will. It is certainly not taken out of context. It is certainly leading into that sort of 'Yes, okay, this is an agreement in Parliament'.

**CHAIR** - You cited that an application had been made by Anglicare for comparisons of twin towns and that was rejected. Were you offered a debriefing to explain why your application failed to meet the test?

**Mr JONES** - No, we were not offered that. In fact we say it is rejected because we have no response from them. We have raised it with the minister and he is aware that the submission was made, but we have not received any formal response from them, so there has been no opportunity to debrief, so it is just not happening. I am using this by way of a good example that there were funds that were made available for research. I am saying if it was not this proposal, then why not have a process whereby there can be adequate screening of applications in and proper processes used to determine whether this is or is not a good example. That is the sort of thing that we see in dealing with the Department of Health and Human Services as we do all the time. We know the tenders that they go through and the processes. It does not seem to apply to this. What we are saying is, why not? And this is an example of where something goes in, and it was put in on the basis that the minister said, 'What research could happen, what do you need?' So we responded, as you can imagine, by putting in an application. There has been no formal response, nothing has come back to say what is wrong with it, why it was not funded.

**CHAIR** - When was the application made?

**Mr JONES** - On 13 July last year, 2004.

**Ms LAW** - In the past there was a research committee that vetted all research applications, but according to the Department of Health it is not active at the moment and so one of the recommendations that we have would be to consider reactivating the research committee. At the moment there is no criteria that is publicly available for how to apply for research. There is no calling for research other than when the Government decides that it wants research, so there is no opening for the community to think, 'Here's an issue that maybe some research could be conducted on'. The only opening is to send it to the Gambling Support Bureau but with no criteria for how to apply and also with no sort of set time frame for when to apply. And so we do suggest that some sort of a research

committee be reactivated so that there is a place that people can apply to for research funds.

**Mr JONES** - Just as there are programs that exist with the Community Support Levy now and all the mechanisms that we have participated in in the past, we are saying why not put a research stream alongside that? Why not call for what sort of research the Tasmanian community would put up as being of concern? That to me seems to be a gap in what is currently being funded and asked for.

**Ms LAW** - We have included what they do in Queensland in the package that we will leave with you. They have on the Queensland Government web site criteria for applying for research and great detail of how the research will be decided upon, and the application forms. We have included that just to give you an example of what happens in one of the other States.

**CHAIR** - There has been considerable evidence to the committee that the process already has too many layers and ought to be simplified. Your suggestion is that we add another layer?

**Mr JONES** - I would be interested to know what processes exist that prevented research being done. What we are saying is we do not see the research happening. We have put in a proposal but there is not a mechanism by which the research can be considered. What we are saying is that it would seem reasonable to us that there is a process that would do research applications - that is grant requests tied into research. This is not about the rest of the Community Support Levy; this is just to do with the research component. What we are saying is: in that component, why not have an evaluation panel? Why not have a process that actually calls for tenders? That does not happen now. We have not received anything from government that indicates, 'Put in a tender for research'. There is not that mechanism there, so when it comes to this component of it, we do not see that happening.

**Mr STURGES** - Just following along that line, you mentioned that you have concerns about how funds are being distributed and there is a need for greater transparency and accountability. Are you suggesting - and I have heard loudly and clearly what you have said about research - that the provisions of the act where a percentage break-up is provided should be reassessed and a percentage of CSL specifically allocated for research, as a separate stream?

**Mr JONES** - That would seem to overcome some of the difficulties we have at the moment. At the moment it is put in with other things and it would seem that if we could identify that there was a research pool that would be happening - a pool of funds that could be then made available - that to me would be how you beyond the current difficulties that are there, Mr Sturges. That would seem to a solution to it but there need to be the mechanisms in place so that we can identify a specific set of funds, if we needed to. Let us put in a research panel to assess the applications that come in. We are not talking about doing research for the sake of it; we are talking about trying to do it to make sure that we can count the cost.

**Mr STURGES** - You were critical of how the funds are distributed, could you expand on that? Is it the timeliness, the areas the funds are targeted, the amount?

**Mr JONES** - We are particularly concerned that the funds go to ameliorate the effects of problem gambling; that is what we see as the intent. What does it do to ameliorate the effects of problem gambling and those sorts of things? That is what we were particularly concerned about. When it comes to something like the health and wellbeing fund, are the sorts of things that are being funded out of that tied back to gambling or other things? We are suggesting there should be some demonstration of that, some publication of it. Put it out on the web site, so then we would know about that sort of thing. But primarily I think we get very good value out of the Break Even services - the problem gambling services. I have to say that because we are a significant Break Even problem gambling provider. I am not critical of the level of funds that go in there, but it is the other health funds. Let us try to tie that back and connect that back into what we consider to be the original intention.

**Mr STURGES** - Are you suggesting - and I am not trying to put words in your mouth - that perhaps the 25 per cent that is allocated for sport and recreation, for instance, should be reduced?

**Mr JONES** - No. I do not have a view about that. What I am saying is that we need to make sure the other lines are prioritised the right way.

**Mr WILKINSON** - As I read it here - and I don't have the act in front of me, but I have the amendment that Ray Bailey put up, which appeared to be successful - it is 25 per cent, 25 per cent and the n '50 per cent for the provision of research into gambling and services for the prevention of compulsive gambling and treatment'. The way it is worded, it seems to me that the 50 per cent should be split up in those areas because it is not talking either/or. As I read the act, it says, 'The Treasurer must distribute the levy as follows', so it would seem on the strict wording of the amendment that Ray put forward that a portion of that 50 per cent must go to the research into gambling.

**Mr JONES** - That is what we would assume, that there would be money every year out of the levy to be spent on research. That is what we understood and assumed would be the case.

**Mr WILKINSON** - And by the strict wording of the act, as I believe it now is, that is what the act says. Therefore, would it be correct to say that there would be no need to have this other stream alongside it because the act already encompasses that? It is just a matter of whether it is done or not.

**Mr JONES** - That is our big point, which is why we have not recommended in here about streams or anything else. What we are saying is, is that there is commitment there to have research undertaken. That is what we read in the act and we assume that is what other people would read in the act. Let us get it done. As I said, it does not need to be our proposals; that is not what it is about. We need to be able to count the cost and that, to me, is why we are trying to underscore the lack of research and the fact that there are possibilities to introduce some things that will make a difference.

**Ms LAW** - It is also difficult to know exactly what has been spent on research. Unless there are any other accounting mechanisms for what is spent on research, the correct mechanism should be the Gaming Commission's annual report. That is where they

report on what has been spent by the Community Support Levy. So if you just go via the annual report of the Gaming Commission, according to their reports, no expenditure was made on research for six out of the eight years up until the most recent annual report, which is a year ago. Of those two years where there was expenditure, it totalled \$118 000. Since then, there has been a promise of a further \$189 000 to be spent over three years on gambling, but that is yet to be spent or reported on. What we are saying is that for the last 10 years we have reports of only \$118 000 out of the \$21 million having been spent on gambling. So it is hard for us to feel that policy is being supported by research.

**Mr WILKINSON** - Are there any other sections within the act itself which say that if there is not an appropriate application put forward that money does not have to be expended in that area?

**Ms LAW** - I don't think the act talks about things in that specific way.

**Mr WILKINSON** - I was just wondering if there was some general type application which would cover that. As I read it, on what is said before me now - and I could be wrong - 'the Treasurer must distribute the levy as follows' - and it goes through 25 per cent and 25 per cent and then it talks about the 50 per cent 'for the provision of. It marks down five separate areas and interlinks them with 'and', 'and', 'and'.

**Ms LAW** - The other side of the equation in terms of research expenditure is the nature of the research that has been conducted so far. What has been conducted so far in Tasmania has been primarily what is called 'prevalence studies'. That is the Roy Morgan research that was conducted in 1994, 1996 and 2001. I think it was Roy Morgan in 1994 and 1996 and Michelson in 2001. A 'prevalence study' is a phone poll of 1 000 people and from that you can gain a lot of information about gambling prevalence in the State, but there are limitations to how you can analyse that data. Prevalence studies in the gambling research field in Australia and the world are treated in a different way to more in-depth studies. In Tasmania we have not had any in-depth studies of the effects of gambling. We have only ever had the prevalence studies. It is well known that someone with a severe problem with gambling is less likely to answer a telephone poll than someone who doesn't gamble or who just buys a few lottery tickets. So it is less likely to be getting to the worst of the problem by going through a telephone poll prevalence study. So another part of what we are suggesting in our submission here is to also look at what type of research we do, and we have provided some examples from other States again just about the more in-depth type of studies that happen in other States. Most of that is available through the web sites, and I think we have provided all of the web sites in our submission. So it is both how much and what type.

**Mr JONES** - One of the things that we are interested in is the tie-in with other government services, so one of the studies that has been done in Queensland has looked at mental health and gambling. The State Government here has made significant commitments in the area of mental health, which we are very pleased about, but we are trying to tie in some of the issues around mental health as well as gambling. We could do some more work about how that is hitting us here, given some of the work that is having to happen at the moment related to our mental health services. It is that sort of qualitative difference that we would want to make with the research to make sure that we have better information to be able to inform the services that respond in the areas.

**CHAIR** - Chris or Margie, by way of example you have cited an application of July 2004 based on comparing twin towns, one town having a prevalence of gaming machines and another town not having a prevalence of gaming machines. I wonder would you cite for me how that might be applied in the Tasmanian context? Where would you see it being possible to apply a program such as that?

**Mr JONES** - I am just trying to figure out which towns we identified in your electorate -

**CHAIR** - With our prevalence of gaming machines.

*Laughter.*

**Mr JONES** - We did identify a town for a time, didn't we?

**Ms LAW** - Yes, what we did was to look at towns of similar size, ones with poker machines and ones without. One of the difficulties is finding a town that does not have poker machines in Tasmania but, for example, there are no poker machines on the Tasman Peninsula and there are no poker machines on Flinders Island. So we started by looking at the size of the towns on the Tasman Peninsula, looking at the towns there to find one that did not have poker machines and was of a size that we could find one with a poker machine. Then we also wanted to have similar distance from the casino because perhaps people on the Tasman Peninsula drive into Sorell or into Hobart. We were looking at it in a complex way, not just 'Here's a town without a poker machine; here's a town with them', and so I think we came up with one of the Tasman Peninsula towns like Nubeena and a town like Dover, Dover with poker machines and Nubeena without poker machines, but we were going to do two lots of twin towns. We were hoping to do it, but we did not have the funds.

**CHAIR** - In your professional capacity would you suggest that a small sampling such as that would be indicative of the situation Tasmania-wide? Can you draw conclusions from it?

**Mr JONES** - We could probably use the same generalisation that the Health department use with their prevalence survey. But this is meant to be qualitative, so it is of a different nature, and it was then trying to draw out some lessons around what existed there. We brought along a map trying to divide the local government area up by number of machines; the work that Margie did in 2003, given that that was something that was topical yesterday.

**Ms LAW** - We were hoping that either the Australian Bureau of Statistics or some other statistical agency would be able to assist us to make sure that our methodology on selecting the towns was correct, and then we were going to go to the towns and hold meetings with key members of those towns. It could have been community organisations and associations, local government, police and business owners. We were going to hold meetings with them, which we call a focus group meeting, to tease out the key issues for that town without talking about gambling: just what are the issues here in Nubeena, what are the issues here in Dover? From that we would come up with a questionnaire. We were then going to go back to that town, hand deliver it to every household in that town and invite every householder to complete the survey. We would then go back and collect those surveys. If we had two towns of 300 people each perhaps we would get 100 returns from those surveys. So while it might still be only 200 people

collected from the twinning of those towns that would be 200 people having filled in an extensive survey and it would have followed on from having discussions with their local community representatives organisations and so on.

**Mr BARTLETT** - Notwithstanding that I think that the research that comes from your group is always excellent, I do think the methodology that you talk about here has some significant fundamental flaws. Take Dover and Nubeena, for example, there is a background socio-economic -

**Mr JONES** - Fundamental flaws?

**Mr BARTLETT** - existence in those towns that may or may not have a desire for poker machines in the first place. So in fact you are measuring something that might be the cause or the symptom or whatever. But, anyway, that is beside the point. What I am interested in - and this goes to the heart of, because I think that research is important if we are going to direct the right services to those individuals or communities that have significant gambling problems - what out of this research specifically would allow us to then direct better services to those most in need and do you think that should be the focus of research? If there is a limited number of dollars going into research - and there always is - surely that research should go into how we are going to better inform delivery of service to the people who need it.

**Mr JONES** - The research proposal went in the absence of any guidelines about what the research should show.

**Mr BARTLETT** - What I am asking is what do you think the guidelines should be?

**Mr JONES** - I am happy to work on guidelines about what it should show then we could do that. The reason that we did not focus upon service delivery-type things is because the Break Even service has already been reviewed and there is a whole range of work being done about where to target Break Even services, the problem gambling services, where they should be delivered, how they should be accessed, the community education program and all that sort of stuff.

A review was already under way in relation to the services. What we were trying to do was name some of the other issues in the community. In other words, over and beyond some of that stuff about service to problem gamblers, what are the issues in the community?

Now, we tackled and developed a proposal on the basis of no guidelines - nothing that we could focus on. So we are saying that we thought that this would be useful quality data around some of the things that are happening in towns and highlighting it. It might not be then about targeting problem gambling services but there might well be other support services that need to exist in the town, other services that could be added, other sorts of referrals that could be done. There could be particular things about how things are advertised in those areas that could change. So that might have been one of things that came out of it. Does that make sense, Mr Bartlett?

**Mr BARTLETT** - Yes, but it leads onto another question and that is that obviously, as a provider of Break Even services, you are satisfied that those services are going into the

right place because there is some research being done, which is effectively what you just said. I would say - and I do not know whether the rest of my committee members would agree with me - is sort of a contradiction of what we have heard from other people giving evidence here. Perhaps that is because there is a conflict here - you are delivering a service and you believe, and quite rightly so, it is an excellent service and delivering to the right places, targeted and all the rest of it, and therefore you do not need research into that area. But that is different to what we have heard from others.

**Mr JONES** - On the basis that we found for instance that the community advertising campaign made a huge difference for us. When that campaign was on the television the Break Even service referrals went up. If you fund us to do that then that is what we will do. But on the basis of the funding that we get for the services and the funding that we have got to provide them to where they can go, we think that we are doing the best we can but the evaluation of that we still have not seen. So, there would be certain things that we may need to change but it certainly showed that the community education thing would be something that could be expanded.

**Mr BARTLETT** - I go back to my original question and I might be putting you on the spot here a bit. Rather than by way of example of an application you have made in absence of any guidelines for research, can you give us a summary of what you think a guideline for research might look like, a selection criterion if there were a couple of hundred thousand dollars to spend on research, what that might look like? If there were a couple of hundred thousand dollars to be spent on research, what would that look like?

**Mr JONES** - The Queensland Responsible Gambling stuff has in it, what we think, is a good outcome. Because we can appreciate that there is a gap in there, what we have tried to do - as opposed to reinvent the wheel - is to look at what we know seems to be working well. Certainly it is comprehensive in the Queensland material and we have only provided a summary of it, so there would be further information that could be obtained around that. We need to wait for the Break Even review to come in. For example, the west coast can be problematic because of who is on site, who is funded to be site and those sorts of things. It is a matter of what services you can piggyback. We think there will be some service developments that might come out but we have not seen the evaluation review and we need to wait to hear the outcome of that.

**Mr BARTLETT** - But that is some research that is being done that is going to effect the targeting of your services?

**Mr JONES** - It is an evaluation of the services, as opposed to research into local communities and those other things.

**Mr BARTLETT** - I think we just said the same thing; I am not sure. You're more of a politician than I am, I think.

*Laughter.*

**Mr STURGES** - I will just follow on, and I think you have answered it but I want to make my point, for what it is worth. I have no problem with the argument to increase research, as you have put the case. But just on the twin-towns comparison, I expect that process would take into account the level of employment in both towns, age demographics and



income. As my colleague said, we have to have an understanding of the nature of it. In one case you might have a seaside village that is predominantly holiday and retirement and in the other case you might have a thriving fishing industry and forestry business.

**Mr JONES** - I think we have the sense of that. We can change the proposal to look at whatever we needed to cover. We are saying that we thought there would be something useful in this. In the absence of anything else, we thought this could be a useful thing to do. It talks about a community survey, trying to make sure we are comparing apples with apples.

**Ms LAW** - Can I add to that? I should not have said Nubeena and Dover; I am sorry. I was on the spot.

**Mr STURGES** - No, that is fine. It was just using that as an example, I understand.

**Ms LAW** - I know that Dover was a town that we were looking at and I know Nubeena was a town we were looking at. What we were hoping to do was to get the advice of the ABS or a similar organisation to help us analyse to make sure that we are looking at towns that are similar, both in terms of the geographic location and also, as you say, the social and economic characteristics. If you read out submission you will see that. We are less concerned about the fact that we did not get funded for this, but we are more concerned about the process. We did not get a reply. We don't know what the criteria are; we don't know whether there are other organisations that have tried for research funds as well. We do not know that because there is no public process for it.

**Mr DEAN** - Did you follow that up for a response, or did you simply put it in and that was it?

**Mr JONES** - No. We have been in constant dialogue with the Gambling Support Bureau. We raised it when we met with the Minister for Finance; it was on the log of issues that we put into the Minister for Finance.

**Mr WILKINSON** - So all you know is that you haven't been successful but you have not been told why?

**Ms LAW** - We don't know if we have been successful. Perhaps it is being funded this year. We got no reply; no reply from the minister and no response from the Gambling Support Bureau when we would ask, 'Where is it at?'

**Mr WILKINSON** - Any phone calls at all to say you weren't successful?

**Ms LAW** - No phone calls.

**CHAIR** - We received evidence yesterday that the criterion that was being applied to such applications sought to determine whether there was a relationship or a nexus between the cost of the study and the benefits that conceivably would flow from the study. You addressed this in some detail earlier in your presentation, but clearly if the administrators of the fund are saying in the field of research - in actual fact they said in evidence - we have certain studies which you have referred to as prevalence studies, we have the Productivity Commission making assessments and drawing certain conclusions that the

benefits to the community far outweigh the cost to the community, we have updates going on in the area of research- this is the Government speaking - and they are then making judgments that any new research needs to show us the benefits measured against the cost of undertaking the study, do you believe you can demonstrate in any application you make the benefits that might flow to the community and quantify that in dollar value?

**Mr JONES** - Yes. If the criteria are established then we can address the criteria. If it is about a cost-benefit analysis of some form or another, then put the thing out and we can - if it is us. I mean, it might not be us. We might not be the best organisation, but again if you look at what happens in Queensland and Victoria where there is research that is funded, that is what they have to put in. They have to mount a case for why this should have a call on funds, and I think so. In other words, I think it is possible for research to be promoted, not necessarily by us, say, but by organisations who have expertise that will be of benefit in terms of what the cost is.

**Ms LAW** - It is interesting. It seems to me that gambling is one of the few issues where people say we have enough research, we do not need any more, whereas on a lot of other issues people say they are encouraged to get more research, but on gambling it does appear that government does not want any more research, and I am not sure why that is the case. I would have thought that research is of assistance.

**Mr BARTLETT** - As long as it is the right research, I would absolutely agree with you.

**Mr WILKINSON** - What do you say should occur if the Government worked strictly in accordance with the act? If it worked strictly in accordance with the act - and I cannot see how it cannot - then a sum of money, whether it be a dollar, should be applied to these five separate areas under the 50 per cent split. I know it might be a semantic argument, but if there was a case where no applications were put forward, then I think the act is deficient in this area, because if no applications are put forward then no funds can be allocated to that area in accordance with the act. I think that section really has to be looked at, because it would seem to me that the only way that the act can be legally and properly followed is in strict adherence to the act. If there are no applications coming forward for funding under that area you cannot apply any funds to it.

**Mr JONES** - And certainly it would be useful for it to be looked at. Just to pick up Mr Bartlett's point, it is not just research for the sake of research, it also has to be worthwhile and have a value. So I think that is the criteria that you would want to introduce into that.

**Mr WILKINSON** - To assist with that, if I might, you would have to put down your guidelines, which would make it easier, and then there would have to be something within the act that if no application is put forward then the balance is to go whatever way.

**Mr JONES** - Yes.

**Mr DEAN** - Can I just take it a little further on that? In relation to C, 'the 50 per cent for the provision of', and you have said I think that over 10 years \$118 000 only can be identified as having gone into research-

**Ms LAW** - Eight years.

**Mr DEAN** - Sorry, over eight years. Where has the money for the research that you have done gone in that area? Where has the money gone to, that 50 per cent of the money? Where has that gone in that area under those other five headings there?

**Ms LAW** - Approximately \$1 million a year is spent on Break Even services, although that is approximately what is spent now. I am not sure what it was equivalent to eight years ago, but approximately \$1 million. Over those eight years, \$10 million was available in that section, so \$100 000 of that went to research. Approximately \$1 million a year, so approximately \$8 million, but probably a bit less, for the Break Even services. The other \$2 million went to - if you look at the annual report of the Gaming Commission it does not actually specify. It specifies the Community Support Levy totals and has some breakdown but each year they will specify different breakdowns. They are not consistent with what the reports are reporting to.

**Mr STURGES** - I think we have talked a fair bit about accountability by way of guidelines and process but you also spoke, Chris, when you gave your initial statement, about the need for transparency in relation to the distribution of funds. I know you have touched on that as we have weaved around on this, but I would like to hear a bit more if I can.

**Mr JONES** - I suppose what we were thinking about was making sure that the allocation of funds to the extent that they occur is quite clear. For instance, in the TGC, the report that comes, it lists how the funds have to be spent.

**Mr STURGES** - Where they have gone, to whom?

**Mr JONES** - That sort of information, which is what Margaret was just saying. They are not there now. We are not suggesting it is deliberate; it is just that it is not as transparent as we encounter in other parts of government that we deal with. We cannot see any reason that wouldn't be the case.

**Ms LAW** - In some years they will specify the amount that was spent for something in the dialogue part, outside the financial table, and in some years they don't specify the amount. They will just say that that thing was done, so you don't know how much of the total amount that was. It is inconsistent, that is all. Within the table of what they are reporting, I am not sure why sometimes research doesn't appear, whether it just because nothing was spent, but I would have thought they would have to say in that report 'nothing was spent on research'. But it just disappears.

**CHAIR** - It has been suggested by other witnesses that the program could be improved if departmental ministerial intervention was excluded and there was a public assessment board inserted into the process, that board being answerable to the Gaming Commission, and that might reduce administrative costs and lead to a better perception by the public with regard the distribution of the funds. Would you comment on that proposal?

**Ms LAW** - My understanding is that there used to be a community board in operation and that it stopped operating a few years ago. We do suggest that a community board would be a useful thing because it would allow community members to participate and to help

direct where the funds go. Once you have something like a community board, I think there is more potential for it to be publicly accountable because they report. At the moment we have no idea how the Health and Wellbeing Fund is allocated. We are not necessarily saying that it is poorly allocated, but we don't know what the process is - in some years it is reported on in the annual report of the Gaming Commission and in some years it isn't - whereas if you have a community board that is operating every year and is meeting and has minutes and has the intention of making reports then there is more public accountability.

**Mr JONES** - Did we answer your question, Mr Chairman, because that was particularly in relation to the grant program?

**CHAIR** - Yes. With regard to the grant program, there is another model, the ACT model, which requires the Gaming Commission to identify and approve or register certain charitable organisations or approved bodies within that community. Then the gaming venue has the obligation of distributing within that list of approved charities and then reporting back to the Gaming Commission with regard the outcomes of their work. The thought is that the local people are better tuned to the needs of the local community and the funds go back to the community from which they came. I wonder what your comment would be with regard the ACT model.

**Mr JONES** - It had echoes for me, Mr Chairman, of money out of beer ticket machines. When I was in country towns, if you were on the favoured list then you did well out of the beer ticket machines but if you were not then you did not. I've had that experience; that was a charitable program from the profits out of beer ticket machines, which were being invested locally. But I was not sure if that exercise brought all the scrutiny that needs to be brought to bear in allocating funds. Looking at that program, I was thinking more that if we put it back onto a community board where there were set guidelines and things I think that would lead to better outcomes for the local community. If there is a need I think that could be a better way to have it mounted, as opposed to that local distribution.

**Mr WILKINSON** - Who should be on the board?

**Mr JONES** - There were some criteria before and we thought that if we could just re-establish what was there before that was not a bad mix. I cannot remember now; it was someone from the uni, someone from TasCOSS, some consumer-type rep, I think, but I cannot remember.

**Ms LAW** - Just to follow on from what Chris was saying, it also depends on how you see the ownership of the 4 per cent levy. If it is distributed through the gaming venue then it makes it look like it belongs to the gaming venue, so it would need to be done in a way that made it clear that it was not actually the gaming venue that provided those services. It is not their money; it is the public's money.

**CHAIR** - Could I just sum up a couple or three points that I think are at the core of your proposition and I will ask you to agree or disagree with each of them in turn. You are strongly of the belief that there shall be a portion of the 50 per cent of CSL funding appropriated for research in each year.

**Mr JONES** - Yes, Mr Chairman.

**CHAIR** - Further, Anglicare is aggrieved because guidelines for parties making application for research grants are not clear.

**Mr JONES** - 'Aggrieved' was it? Yes, that is fine.

**CHAIR** - And three, communication between the Gaming Commission and Anglicare about the progress of applications, the state of the play or the reasons for a refusal are not made known or are not available.

**Mr JONES** - I am not sure that I would use 'state of the play' It is the Gaming Support Bureau, not the Tasmanian Gaming Commission, to which we have lodged the application and we would expect them to be the ones who would progress it.

**CHAIR** - I think the other matter that Mr Wilkinson has brought to my attention is that you are of the belief that the process would be advantaged by the reintroduction of a community board to assist in the assessment of applications.

**Mr JONES** - Yes, Mr Chairman.

**CHAIR** - Thank you very much for your presence; it has been a worthwhile meeting.

**THE WITNESSES WITHDREW.**

**Ms SUZANNE CASS, TASMANIANS WITH DISABILITIES, WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.**

**CHAIR** (Mr Fletcher) - I extend a welcome to Suzanne Cass, who comes from Tasmanians with Disabilities Incorporated. Suzanne, the way we normally run the session is for you to have the opportunity to overview your presentation to us. We note that the organisation has written to us under the name of Merran Thurley, the president. We have read that and noted your concerns, but you might like to expand on those to some degree.

**Ms CASS** - Thank you. I think the point I am most concerned about making is the following. As I have said in the submission, while we are very grateful - and I am sure all community organisations like us feel the same way - for the Community Support Levy and its project funding, where we have problems with ongoing funding to support day-to-day administration. Our organisation is required to disseminate information to our 300-odd members across the State, to the organisational members that we have - we represent the smaller disability organisations as well - to provide education and training to industry and workplaces, to try and increase employment opportunities and better integration of people with disabilities into the community. At the moment our funding level only allows us to be operating three days a week, 20 hours a week. We have day-to-day issues like a photocopier that is falling to bits and we cannot afford a maintenance agreement for it, and ongoing day-to-day administration. We really believe that to operate effectively, and to operate even in line with our agreement with the Department of Health and Human Services, we really need to be there five days a week. We just cannot do that at the moment. We have tremendous contributions from volunteers. While we recognise them as much as we can, their contribution is just invaluable.

I have brought a document with me that outlines a little bit more about Tasmanians with Disabilities and who we are and what we do, if I could circulate that. It also shows the state of our photocopier on the frame, so I hope everybody has reading glasses.

I have done some basic calculations on what it would take to operate five days a week. We would be looking at salaries, without on-costs, of \$46 892. That does not include on-costs, but that would have someone at level 5 and someone at level 4 there at least for five days a week, it maybe even at different times. The funding level we have from the Department of Health and Human Services at the moment, excluding GST, for 2004-05 was \$32 921. That is clearly not enough to run an organisation on a five-day-a-week basis and for us to do all the things that we are committed to do for the Government, for our members and for organisational members.

**Mr BARTLETT** - Has the organisation actually applied for the CSL funding in the past at all?

**Ms CASS** - Yes, we applied last year.

**Mr BARTLETT** - Do you have some comments on the process, then? That is what I am interested in.

**Ms CASS** - I think the process was, as I understand it, a fair one, and I did seek feedback on our -

**Mr BARTLETT** - Timeliness, anything like that?

**Ms CASS** - Timeliness was a bit of an issue. I expected the response back by early January and did not receive it till the end of January. We had had plans that we put into place in the expectation that we might have got something, which we then had to disband. The feedback I got was that although the application was a quality application we did not demonstrate that our project would become self-supporting after the 12-month funding period, and that is my whole point here. It is a project that we would do everything in our power to make self-funding, but quite often these projects do require some sort of ongoing support.

**Mr STURGES** - So are you suggesting that the process or the criteria are too rigid? Would you want for more flexibility? Is that an issue?

**Ms CASS** - I think more flexibility for instances where, while every effort has been made to ensure that the project does fund itself, there may be administrative problems along the way in the 12-month funding period whereby you could consult with the committee and say, 'We have come up against a problem here. Can you help us out with this?'

**Mr STURGES** - Yes, the capacity to absorb.

**Ms CASS** - Yes, and the other thing is, of course, that all community organisations are competing for the same funding. Maybe we should be looking at whether this is the most efficient way of doing this.

**CHAIR** - Suzanne, could I rightly conclude that Tasmanians with Disabilities Incorporated is the peak body for all people with disabilities in the State of Tasmania?

**Ms CASS** - Yes, it is.

**CHAIR** - Would any other bodies contest that title with you?

**Ms CASS** - I don't think so, no. ACROD is a different type of organisation from what we do. The other thing we do is respond to government initiatives in writing. The latest one being the disability Framework for Action - that has taken us a considerable amount of time and work. We had to ask for an extension of time on that because we just cannot respond to all the demands placed on us by government, the community and by what we do at any given time.

**CHAIR** - So you have received grant funding from government of about \$32 000 a year on the basis that you are that peak body that they recognise and can speak on behalf of people with disabilities?

**Ms CASS** - Yes. The funding agreement is here and that is what they have described us as.

**CHAIR** - Your request is for core funding for increased administrative services?

**Ms CASS** - Yes.

**CHAIR** - Would you require that each and every year as a recurring grant into the long-term future or do you see a time when you might be able to operate without that?

**Ms CASS** - What we would like to do is set up our training division to be a money-making enterprise, and that is what the submission to the Community Support Levy this time was about. But for the ongoing funding for the rest of the things the organisation does, we do require ongoing funding.

**CHAIR** - I thought your number one priority was to gain funds to employ people five days per week core administration funding. Did I misread that or is that still your number one priority?

**Ms CASS** - That is our number one priority. We need a coordinator and also a policy officer, who can work in conjunction with each other and who would probably have similar level qualifications. We could have those people probably collaborating on the same projects.

**CHAIR** - Would you speculate on the outcomes if that funding was provided for one, two or three years and then not funded after that time? What would happen to the Tasmanians with Disabilities organisation?

**Ms CASS** - It is a hard one to speculate on because the needs of the community are growing, particularly in terms of an ageing community and a growing community as people come from the mainland, like I did. People who are ageing often acquire disabilities and there is a growth in numbers of people arriving from the mainland to retire here and we see that we need to be addressing needs that they might have in the future. I cannot see us being totally self-sufficient in three years. You cannot put a price on the majority of services and things that we do.

**CHAIR** - I don't think there is any argument about that. We recognise the great work that you do and the great need that is out in the community. At least part of the argument - and we have not reached a conclusion in relation to that - is that the demands for funds are greater than the capacity to meet those demands.

**Ms CASS** - Absolutely; we recognise that as well.

**CHAIR** - If we were to recommend that money be available to Tasmanians with Disabilities on an ongoing basis in each and every year, there would be another 100 to 200 similar bodies throughout the State put their hand up and say, 'If these people are entitled to it, so are we'.

**Ms CASS** - And disability organisations are not the only organisations in need. We do recognise that.

**CHAIR** - Do you still think that is warranted then in light of that? Whilst it seems to me - and I am being the devil's advocate for you here - that if you benefit by being funded on a regular basis, other organisations are going to be disadvantaged because they will not have access to grant funds. Is that warranted?

**Ms CASS** - A lot of the other organisations have access to funds from other sources that we might not be able to access. I am thinking in terms of the organisations that have better



access to funding, say, from the Department of Family and Community Services than we do. There are a lot of Federal Government funding sources that require you to have, for example, professional indemnity insurance which precludes us completely because there is no way in the world we can afford to get professional indemnity insurance. Other organisations who are applying for similar funding already have that as a result of some of the activities that they undertake now. There are other organisations who do other things and have access to sources of funding that we are precluded from.

**Mr DEAN** - You meet all of the criteria for funding under the CSL, the only thing you can't establish is your long-term existence. Is that what you are saying?

**Ms CASS** - What I am trying to say is that we probably need the differential between what we receive now from Family and Community Services and what we need to top up.

**Mr DEAN** - Oh, I see, to provide the service that you say you should provide.

**Ms CASS** - Yes, and to allow us to develop projects that we can charge for and earn some income that way.

**Mr STURGES** - If I may, let me follow that line of questioning - it was a concept that was fleshed out with another organisation that came. I heard what you said about the recurrent, ongoing funding. Whilst I accept you have an amount that is provided by DHHS - you said \$32 000 - you need \$18 000 or thereabouts. Rather than accept money as a grant and then have to reapply for another grant and be left wondering whether you are going to be successful or not, would you prefer CSL money based on a business plan? I have heard what you said about developing medium and longer-term strategies to assist Tasmanians with Disabilities become, if you like, more self-sufficient. I acknowledge that you will never be totally self-sufficient, but if the money through the CSL was given to you based on a business plan put by Tasmanians with Disabilities as a stream of money for a period of time to meet that business plan and the business plan was monitored, would you find that easier than applying for a grant?

**Ms CASS** - That would be perfect. We are in the process of developing a business plan for our training activities and so far we have managed to attract Virgin Airlines, Clarence and Brighton councils and we are working on the other councils. We really believe that we can make the training division be self-sufficient but, in order to do that, we need to have the business plan completed. We need the administrative support to do that. We need someone to be there five days a week to deal with the inquiries.

**Mr STURGES** - And then if you were measured on indicators against the business plan on a periodic basis. This is what I am suggesting.

**Ms CASS** - We could meet any measures that were applied to the business plan.

**Mr DEAN** - You have indicated to our chairman that you are the peak body working with people with disabilities in Tasmania.

**Ms CASS** - Yes.

**Mr DEAN** - There are other bodies out there working with people with disabilities as well. Are you aware of whether any of those other bodies get money from the CSL?

**Ms CASS** - I am not aware of that. We represent quite a lot of those organisations, but that does not preclude them from having submitted applications themselves.

**Mr DEAN** - You don't know how many?

**Ms CASS** - I don't know, I am afraid.

**CHAIR** - Suzanne, are you satisfied that the guidelines available to you either in hard copy or on the web are sufficient to enable you to easily do your application? Is the process understandable and easy to follow?

**Ms CASS** - Yes, I found that quite easy to manage. I wrote our submission in the first three days I worked for Tasmanians with Disabilities so I was not entirely surprised that we didn't win it. I found it a good process to follow and one that was manageable. It was easy to develop the submission with the guidelines given.

**CHAIR** - Did you feel when you were unsuccessful that you had access to information that told you why you were unsuccessful, and that section of the process was satisfactory to you?

**Ms CASS** - I had absolutely no problem with the feedback I got, which was that the quality of the application was fine but we did not demonstrate that it would be self-funding after the 12-month period.

**CHAIR** - That leads me to just ask you to reiterate the advice you gave Mr Sturges a moment ago that you believe, given that experience, that if you were now to prepare a business plan based on the knowledge you have you might be able to show a case for a sustainable business over the time, providing it had a top-up from time to time from funds such as the CSL?

**Ms CASS** - We are exploring a few options through the Growing Enabling Organisations program, and we have been allocated a consultant to help us with a business plan, so we will be working with him and developing a good business plan to run with that. That will contain evaluation mechanisms and they will be available to any funding body that chose to assist us.

**CHAIR** - Do you believe that, having been successful once, you could again mount an application for further funding at a future time? Is that your understanding?

**Ms CASS** - I think so, yes. We could do that.

**Mr WILKINSON** - Does your experience show that if you do have this core funding of  $x$  amount, evidence we have had is that you can multiply that four-fold or five-fold in relation to funding your organisation? In other words if you have \$30 000, that soon becomes \$120 000.

**Ms CASS** - Sorry, I am not clear.

**Mr WILKINSON** - If you have proper core funding of \$30 000, we have had evidence to say that that can increase four-fold or five-fold because you already have the core funding and you can show that you are able to continue for the following year and the year after that et cetera.

**Ms CASS** - Yes.

**Mr WILKINSON** - Is that your experience, or are you not able to answer that question?

**Ms CASS** - It is a bit of a hard one.

**Mr BARTLETT** - Does the core funding allow you to apply for other project funding that would top up, or in your experience not?

**Ms CASS** - I think it would. From the funding opportunities available, my understanding is that you can do that.

**Mr WILKINSON** - But you have not experienced it before?

**Ms CASS** - No.

**CHAIR** - Suzanne, I thank you for your presentation to us this afternoon, and wish you well with the work with your organisation, and we look forward to considering the evidence and reporting in due course, and when we do we will make sure you get a copy.

**Ms CASS** - Thank you very much.

**THE WITNESS WITHDREW.**