
Policy Direction

for Gambling in Queensland

April 2000



FOREWORD

The *Policy Direction for Gambling in Queensland* is the result of a twelve month examination of gambling in Queensland. The Policy Direction has been developed in an environment of extensive public consultation comprising the Review of Gaming in Queensland and the *Green Paper on Gaming in Queensland*.

The initiatives contained in this document reflect the Government's response to growing public concern over the growth of gambling in the community and in particular the issue of growth in gaming machines. The Government was encouraged by the widespread community support for the issues encapsulated in the Green Paper.

As a result, the Policy Direction articulates the Government's strong commitment to addressing the social and economic issues that have arisen from the recent rapid growth in gambling in Queensland while preserving the many benefits that the industry continues to provide. To this end the Policy Direction is centred on the two fundamental principles of greater balance and better coordination.

In future, the social costs generated by gambling will be weighed against the benefits and proactive measures will be implemented to minimise social problems and provide support for those individuals who encounter problems with the control of their gambling.

The Government will also continue to be mindful that the gambling industry provides an important service to the community through the provision of facilities for leisure and entertainment and has provided many positive economic impacts.

The Beattie Government does, however, acknowledge that there are adequate existing gambling opportunities within Queensland to meet the needs of most participants across Queensland. Consequently, the current rapid growth of gambling in Queensland will be slowed through a strategy of non-proliferation.

The Policy Statement provides a broad direction for the future of gambling in Queensland. Implementation of the strategy will require continuing consultation with the industry and community over the next 12 months.

I would like to take this opportunity to thank those industry representatives and others who have provided valuable input into the development of this strategy. I believe that this work will provide a sound foundation for the gaming industry in Queensland to move forward while recognising its responsibilities to the community.

The Honourable David Hamill MLA
Treasurer of Queensland

KEY POINTS AT A GLANCE

- † All gambling legislation will have a community protection objective.

MACHINE NUMBERS

- † Clubs will be limited to a maximum of 280 gaming machines per site and from 1 January 2001 hotels will be limited to a maximum of 40 gaming machines per site.

LICENSING

- † The Queensland Gaming Commission will seek public comment on applications for new gaming machine sites as a matter of course.
- † The Queensland Gaming Commission will examine the location of proposed gaming machine sites in relation to their proximity to schools, shopping centres and other venues of community congregation.
- † The Queensland Gaming Commission will seek public comment as a matter of course on applications to increase gaming machines by 20 or more at a club or by 10 or more at a hotel.
- † All applications for new gaming machine sites will be accompanied by a Community Impact Statement and a statement of responsible gambling initiatives to be instituted by the site.
- † Clubs with more than 50 machines will provide an annual community benefit statement.
- † The Queensland Gaming Commission will examine the location of ATMs; the visibility of machines and signage when considering the location of gaming machines at a proposed site.

RESPONSIBLE GAMBLING STRATEGY

- † The Queensland Responsible Gambling Strategy will be further developed and implemented focussing on prevention, protection and rehabilitation.
- † By April 2001 banknote acceptors in clubs, hotels and casinos will be limited to accepting a maximum \$20 note. Credit betting will continue to be unlawful.
- † A new Responsible Gambling Fund will be established which will fund a strategic research program and responsible gambling initiatives.
- † An industry Responsible Gambling Code of Practice and an Advertising Code of Practice will be developed and implemented.
- † Support services to those with gambling problems will be extended.

POLICY DIRECTION FOR GAMBLING IN QUEENSLAND

OVERVIEW

BACKGROUND

Gambling has historically been a part of the Australian culture. The expansion of gambling in recent years has, however, made it a pervasive aspect of modern society. According to the Queensland Review of Gaming and the Commonwealth Productivity Commission Inquiry, while gambling has become an accepted part of the leisure and entertainment industry, it has caused negative impacts on many individuals within the community.

The Queensland Government acted on its concerns about the recent growth in the accessibility of gaming by conducting a Review of Gaming in 1999 and subsequently releasing the *Green Paper on Gaming in Queensland*.

Given that a large number of Queenslanders participate or have participated in some form of gambling, the Government sought community input on both the Review and the Green Paper. The numerous constructive comments forwarded to the Government assisted the formulation of this future direction for gambling in Queensland.

DIRECTION

The Queensland Government is committed to ensuring an appropriate balance in the provision of gambling services. This means acknowledging the value this form of entertainment has to individuals, whether as players or employees in the industry, while recognising the social costs of gambling.

The Government recognises that the vast majority of Queenslanders enjoy gambling as a harmless recreational activity. However, a small percentage of players develop problems attributed to gambling activities, problems that can severely affect those individuals and their families.

The Government believes that, by and large, there are adequate gambling facilities and opportunities available to meet the needs of most participants in most areas of the State. Accordingly, the measures set out in this document will act to slow the current growth of gambling in Queensland through a strategy of non-proliferation.

The Queensland Gaming Commission (Commission) will be given the power to reject applications for new gambling sites in areas that are amply serviced by existing gambling venues. Furthermore, the Government will prevent the expansion of convenience gambling outlets into inappropriate places of community congregation such as shopping centres, bars and grills, etc.

Moreover, this balanced approach to gambling will encompass all forms of gaming and wagering in Queensland to ensure a holistic approach to the industry. This approach will result in the adoption of a responsible gambling policy and consistency in regard to community benefit funds and research.

There will be a coordinated approach to all gambling policy - both social and economic - and that policy will be developed on the basis of comprehensive research into issues of significance.

FUTURE

This document articulates the Government's broad direction for gambling in Queensland into the future.

The detail of these broad policy directions will be finalised during the implementation process through the development of legislation to amend the existing gambling Acts and through the review of administrative arrangements and practices. The implementation process will also allow potential differences attributable to different forms of gambling to be considered. In addition, a key element of Government's policy direction is the historic investment in strategic research on gambling issues. Policy settings will require review as the findings of this research become available and as the impacts of the initial reforms become evident.

UNIVERSAL OBJECTIVE

All gambling legislation will have a community protection objective.

LICENSING

The Government is firmly committed to ensuring that the principles applying to Queensland clubs seeking approval for an additional gaming machine site are also applied to interstate clubs which seek an additional site in Queensland. Consequently, the Gaming Machine Act will be amended to ensure that interstate clubs are not advantaged over Queensland clubs.

To this end, interstate clubs with gaming machines will have those machine numbers taken into account when determining whether they will fall within the Queensland machine limit for clubs of 280 machines.

The existing powers and functions of the Commission will be expanded and the Commission will be empowered to advise the Treasurer on gambling issues, including identification of issues requiring research.

To achieve consistency and clarity, licensing processes for gaming machines will, where appropriate, be amended to take into consideration the processes of liquor licensing and local authority approvals with the aim of avoiding duplication, defining jurisdictions and clarifying relationships with related processes. In particular, this will apply to advertising requirements during public consultation.

The nexus between a gaming machine licence and a liquor licence will be weakened. While, it will still be a pre-requisite that a gaming machine site hold a liquor licence, it will not be the sole determining factor.

The Commission will consider the location of proposed gaming machine sites in relation to schools, childcare facilities, shopping centres and other venues of community congregation. Gaming machine sites will generally be restricted to traditional clubs and hotels. They will not, for example, be permitted in “convenience gambling” venues such as shopping centres, bars and grills, ten pin bowling alleys or restaurants.

MACHINE LIMITS

The maximum number of gaming machines to be permitted in a club or hotel will be limited to the levels of 280 and 40 respectively. Hotels will not be allowed to move to the 40 machine limit until 1 January 2001. This change will require an amendment to the Gaming Machine Regulation.

It should be noted that any increase in machine numbers at a site up to the maximum limit is not automatic and will only occur with the approval of the Commission.

PUBLIC CONSULTATION

As a matter of course, the Commission will call for and consider public comment on applications for all new gaming machine sites, and will require all such applicants to submit a community impact statement. As part of this process, the Commission will seek the views of the relevant Local Authority and local Member of the Legislative Assembly prior to considering applications for new gaming machine sites or applications for a significant increase in gaming machines at an existing site.

The Commission will also routinely call for and consider public comment on applications by gaming sites for a significant increase in machine numbers that would:

- ▮ for clubs, increase machine numbers by 20 or more;
- ▮ for hotels, increase machine numbers by 10 or more.

TIME LIMITED APPROVALS

For an increase in gaming machines, sites will be permitted to only make one (1) application within 12 months from the date of the last approval. Further, the Commission will have the power to require that approved machines are operational within a specified timeframe. As a general rule, an approval for additional machines will lapse after 6 months while the approval for machines in a new site will lapse after 12 months.

SITE RESTRICTIONS AND OPERATING REQUIREMENTS

The Commission will consider the location of gaming machine areas within sites to ensure:

- ▮ gaming machines are not visible from outside the premises;
- ▮ exterior signage is appropriate;
- ▮ gaming machines are not located near ATMs and EFTPOS facilities;
- ▮ where possible, that patrons can access toilets, etc. without going through gambling areas;
- ▮ where possible, that the gambling area is separated from the rest of the site.

The Commission will have the power to set the trading hours for a gaming machine site, with the hours to fall within (but not necessarily to the full extent of) liquor licence hours of operation.

The Commission will be able to issue enforceable guidelines advising of issues for consideration in location of sites and location of gaming machines within sites.

It will also be authorised to request applicants for new sites or expansions of existing sites to provide details of the site's responsible gambling initiatives with the intention that all gambling sites adopt responsible gambling initiatives and comply with an Industry Code of Practice.

The Commission will require sites with 50 or more machines to provide an annual community benefit statement to the Commission detailing specific support given to charitable, welfare, sporting, recreational and/or community initiatives.

If a site alters its gaming area plans, the Commission will have the right to review and revoke the original approval in the context of the proposed change.

All gambling legislation will give the Queensland Office of Gaming Regulation (QOGR) the power to issue fine notices where licensees breach licence conditions.

All minor licensing (e.g. employees) will be undertaken by the chief executive, with appeals to the Commission. All gaming machine site licensing will be the responsibility of the Commission.

FUNDS

Changes to existing funding arrangements will be made to provide additional resources for responsible gambling initiatives, to better reflect the funding sources of the Gaming Machine Community Benefit Fund and to take into account changes flowing from the introduction of the Commonwealth Goods and Services Tax.

An amount of 8.5% of taxes on interactive gambling, wagering, keno, lotteries and gaming machines will be now set aside from the Consolidated Fund to provide funding for the new Community Investment Fund (CIF). This Fund will be established in Treasury to allocate these monies to the:

- ▮ Gambling Community Benefit Fund (formerly the Gaming Machine Community Benefit Fund);
- ▮ new Responsible Gambling Fund; and
- ▮ programs of state-wide significance, including job creation, community renewal and crime prevention.

These changes (see attached) will be implemented in such a way as to ensure that existing funding levels for the former Gaming Machine Community Benefit Fund are maintained while providing additional funds for new responsible gambling support programs and research.

The three existing casino community benefit funds (Jupiters, Breakwater Island and Reef) will continue to operate unchanged in administering the allocation of the dedicated 1% of casino gross revenue.

The Sport and Recreation Benefit Fund will continue in its present form and continue to support Government priorities in areas such as health promotion through physical activity and community development.

The Charities and Rehabilitation Benefit Fund will be closed. Funding that previously flowed from the Fund to the Department of Families Youth and Community Care for its various programs will be provided from the Consolidated Fund to ensure that all existing expenditure commitments against the Charities and Rehabilitation Benefit Fund are met.

A new fund called the Responsible Gambling Fund will be established and administered by a Gaming Directorate within Treasury. The Fund will resource the Secretariat of the Responsible Gambling Advisory Committee and allocate monies to priorities for responsible gambling strategies, including enhanced funding for counselling services for those with gambling problems. It will also fund research into gambling issues.

The former Gaming Machine Community Benefit Fund will be re-named the Gambling Community Benefit Fund (GCBF) to acknowledge the diverse sources of its funding. The membership of the GCBF Committee will also be reviewed accordingly.

The current guidelines for the GCBF will be reviewed to ensure adequate distribution of grants across provincial and regional areas. The recommended maximum size for a grant will be increased to \$30,000 from the current figure of \$15,000 with this limit to be reviewed following twelve months operation.

(The \$15,000 limit has not been changed since the Fund's inception in 1993). The GCBF Secretariat will continue to be funded from the GCBF, but will be relocated from the Department of Families, Youth and Community Care to the Gaming Directorate in Treasury.

RESEARCH

The Government acknowledges that quality research undertaken in a coordinated and methodical manner is essential to ensure the appropriate development of Government policies.

The Gaming Directorate will be responsible for the coordination of research priorities for Government. In consultation with the Queensland Office of Gaming Regulation, the Queensland Gaming Commission, the Responsible Gambling Advisory Committee, and other key stakeholders, as appropriate, the Gaming Directorate will ensure that a strategic research program is developed and ensure that there is adequate oversight of that research program. Research will be funded from the CIF.

RESPONSIBLE GAMBLING

The Responsible Gambling Advisory Committee (RGAC) will be formally endorsed as the primary source of advice on emerging social concerns associated with gambling in Queensland. The RGAC will report directly to the Treasurer and its Secretariat will be relocated to Treasury, where it will form part of the Gaming Directorate.

The Committee will continue to comprise members from gambling operators, community groups and Government and it will continue to operate in its current form.

The Government acknowledges the achievements of the RGAC in identifying strategies to reduce the negative social impacts of gambling and seeks to continue to advance the work of the Committee.

In this regard, the RGAC will develop and aid the implementation of a comprehensive Queensland Responsible Gambling Strategy, in consultation with key industry stakeholders.

The RGAC will update the Responsible Gambling Strategy on a regular basis, particularly as research is undertaken in relation to the development and treatment of problem gamblers. The Responsible Gambling Strategy will focus on three key objectives:

- ▮ prevention;
- ▮ protection;
- ▮ rehabilitation.

The strategy will be a comprehensive package of measures to address social issues arising from gambling as it is recognised that no single measure will be capable of creating an environment of responsible gambling. The strategy will also be mindful of the cultural diversity and regional differences in Queensland.

PREVENTION

The Government will ensure that credit betting remains unlawful.

The Government will require that, within 12 months, banknote acceptors on gaming machines must be limited to accepting a maximum of a \$20 note.

Any future system or smart card technology which replaces the direct deposit of cash into a gaming machine must be the equivalent of cash (eg. like phone cards) and will not be permitted to link to bank accounts or credit providers.

The RGAC will oversee the development of community awareness and education campaigns drawing on expertise in other jurisdictions about strategies which have proven to be successful and will advise on suitable methods of implementation.

The RGAC, in conjunction with the Queensland School Curriculum Council and the Board of Senior Secondary School Studies, will continue to develop a responsible gambling curriculum for schools and will also consider the need for developing tertiary level curriculum for responsible gambling.

State-wide benchmarks and standards for training and professional development in the areas of identifying and dealing with problem gambling will be developed for staff in gambling venues and operators will ensure staff attend relevant courses on a regular basis.

The Treasurer's Annual Awards for Responsible Gambling Practice will be implemented to recognise best practice in responsible gambling service. The Awards will be based on criteria recommended by the RGAC.

PROTECTION

Community protection will be included as an objective in all gambling legislation.

The RGAC will advise the Treasurer about issues to be incorporated into a whole of industry responsible gambling Code of Practice and will draft a Code for the Treasurer's consideration. In drafting the Code, the RGAC will examine similar codes in other Australian jurisdictions and will incorporate:

- ▮ requirements for sites to provide adequate information on odds and win rates;
- ▮ requirements for sites to provide information about the potential risks associated with gambling and sources of support for those with problems;
- ▮ requirements with regard to signage, both generally within the premises and specifically near ATM and EFTPOS facilities;

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- | arrangements for forced exclusion and self-exclusion from gambling activities;
 - | requirements for practices which encourage breaks in play, such as screen messages on gaming machines;
 - | requirements for all gambling staff to receive training in responsible provision of gambling services;
 - | restrictions on the location of ATM facilities within sites and on the access of customers to funds from credit accounts and EFTPOS facilities;
 - | provisions to encourage payment of significant winnings (eg. greater than \$250) by cheque rather than cash, with a restriction on the subsequent cashing of the cheque;
 - | prohibition on patrons who are intoxicated from continuing to gamble;
 - | controls on access of minors to gambling venues;
 - | minors will continue to be prohibited from participating in lotteries under the *Lotteries Act 1997* and the ability for minors to access games under the *Charitable and Non-Profit Gaming Act 1999* will be reviewed by December 2000 in accordance with the Government's previous direction.

Once the Industry Code of Practice is developed, minimum standards will be identified and prescribed in legislation, together with penalties for non-compliance.

The Industry Code of Practice will be supported by an Advertising Code of Practice that will encapsulate truth in advertising and prevent advertising that encourages irresponsible gambling. Once the Advertising Code of Practice has been developed, provisions will be incorporated into gambling legislation to impose penalties for breaches of key elements of the Code.

REHABILITATION

Support services provided to those with gambling problems will be extended.

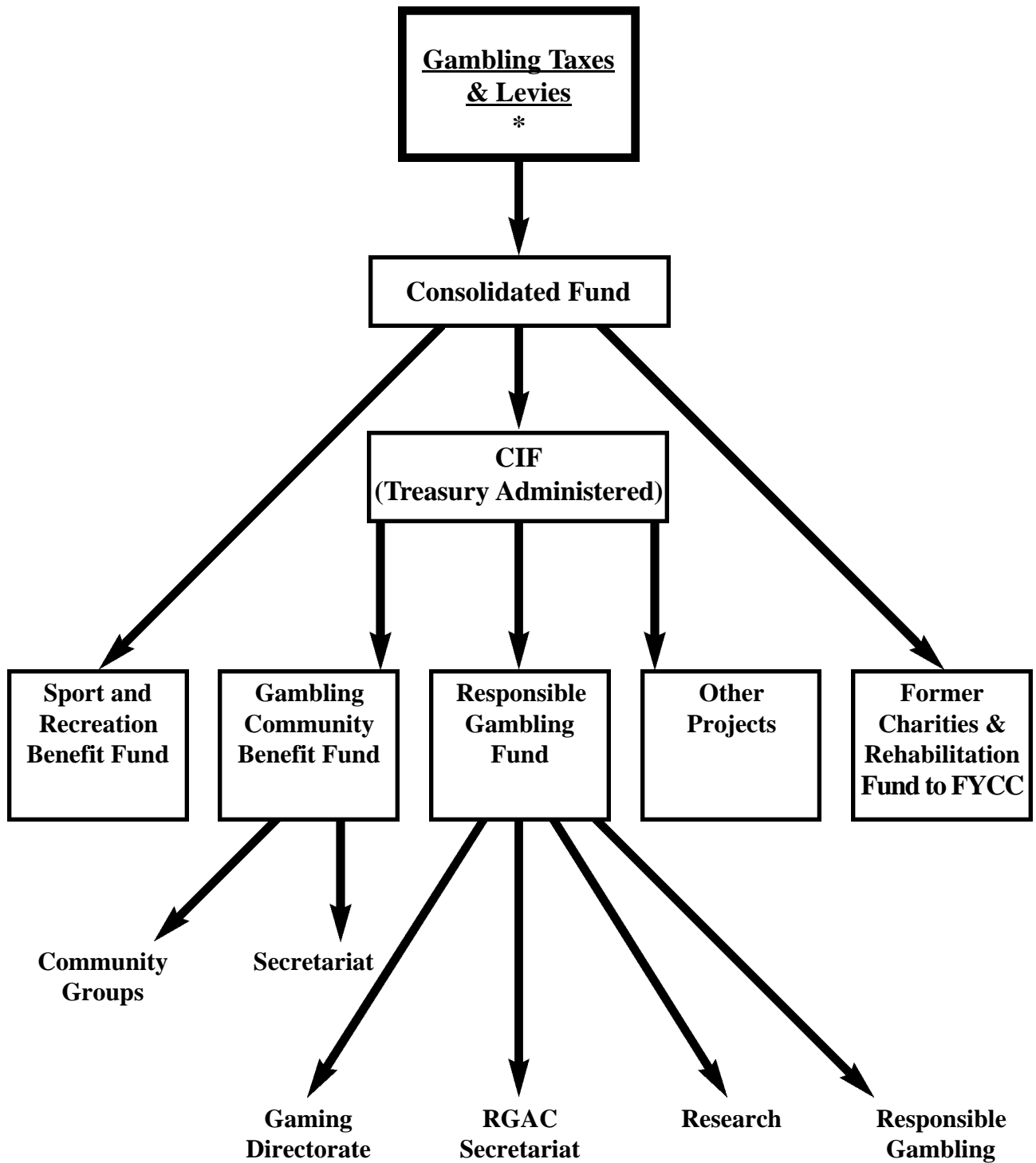
There will be greater coordination of the support services provided to those with gambling problems, including assessment of the effectiveness of the various service delivery agencies.

A State-wide crisis and referral service telephone help-line will be implemented.

Training and assistance will be provided for those in general community and health agencies.

In consultation with the Attorney-General, Magistrates will be given the option to order attendance at an appropriate counselling course in gambling-related cases as an alternative to imposing a fine, especially those involving excluded persons re-entering gambling facilities.

2000 - 2001



* Excluding casino taxes ¹

¹ 1% gross casino revenue continue to go to Casino Community Benefit Funds

