

Tasmanian Gaming Commission 2010-11 Annual Report

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CHAIRMAN'S REPORT

2010-11 saw a year of significant discussion of gambling regulation and harm minimisation on both the national and Tasmanian levels.

Nationally, the reforms proposed by the Hon. Andrew Wilkie MHR have been the focus of intense debate, although the actual detail of those reforms is not yet known and, should they be legislated into law, their efficacy in reducing harms caused by electronic gaming machines will take time to assess. There have been a range of other national inquiries commenced covering matters such as the regulation of internet-based gaming and the Commission has contributed to discussion on these matters.

Here in Tasmania, the development of the Responsible Gambling Mandatory Code of Practice for gaming and wagering licence holders has made up a significant part of the work of the Commission and senior staff of the Liquor and Gaming Branch of the Department of Treasury and Finance. Developing the Code has been labour intensive, and has required significant intellectual input from Branch staff and from the many stakeholders who provided submissions to an initial discussion paper and then a draft version of the Code. A number of stakeholders also met with the Commission. It has also required the Commissioners to meet 'out of session' on a number of occasions.

In late March/early April of 2011, the Commission hosted the Australasian Gaming Regulators Conference. The conference was carefully structured around current reform issues and the speakers were appropriate to the topics and uniformly stimulating and informative. Attendees were vocal in their praise of the conference as the best that has been held, and its organisation was a tribute to the Branch staff concerned.

The integration of TOTE Tasmania into the Commission's regulatory environment has continued, and it absorbs significant resources of the Branch and the Commission. It is hoped that the coming year will see a reduction in this effort, as the new TOTE core wagering system is rolled out with the capacity to ensure compliance requirements are automatically and properly addressed.

The regulation of the gaming and wagering industry as required by the *Gaming Control Act 1993* has continued to be carried out by the Liquor and Gaming Branch in a highly professional manner. Late in the reporting year it became clear that these functions were to be carried out with increasingly constrained resources, as the Branch, as with all Tasmanian State Service agencies, was required to reduce expenditures. The Commission will continue to work with the Branch to find efficiencies in service delivery that do not place excessive risk on core regulatory functions.

During the year Mr Stuart Barry was appointed to the Commission as the third Commissioner. He has rapidly become a valued contributor to the work of the Commission. I would like to thank my fellow Commissioners for the intelligent, committed, cheerful and collegiate approach they bring to our work.

During the reporting period Ms Wendy Sawford moved from her role as Executive Director responsible for the Branch to Deputy Secretary of the Department. The Commission congratulates Ms Sawford on her promotion and wishes to record its appreciation of the advice and support she provided to the Commission over a number of years. Ms Sawford has been replaced by Mr Jonathon Root, who is already making an important contribution to the work of the Commission.

A handwritten signature in black ink, appearing to read 'Peter Hault', written in a cursive style.

Peter Hault
Chairman

THE TASMANIAN GAMING COMMISSION

The Tasmanian Gaming Commission is an independent body responsible for the regulation of gaming and wagering in Tasmania, established under the *Gaming Control Act 1993*.

The Commission is a three-person body whose members for the 2010-11 year were:

- Mr Peter Hoult – Chairman
- Professor Kate Warner
- Mr Stuart Barry

The Commission:

- regulates and controls gaming and wagering to ensure that it is conducted honestly and is free from criminal influence and exploitation;
- approves internal control, administrative and accounting procedures, rules and conditions in relation to gaming and wagering activities, and determines disciplinary matters;
- investigates and makes recommendations to the Minister on gaming and wagering regulatory matters;
- researches and investigates matters relating to gaming and wagering, including the probity and financial stability of people involved in the conduct of gaming and wagering operations;
- liaises with other authorities and people responsible for the regulation and control of the conduct of gaming and wagering;
- investigates and resolves complaints relating to the conduct of gaming and wagering; oversees the administration of the Community Support Levy, and recommends and reports on annual/quarterly budgets to the Treasurer;
- fosters responsible gambling and minimises the harm from problem gambling; and
- performs such other functions as are required by the *Gaming Control Act 1993* and the *TT-Line Gaming Act 1993*.

The Commission is supported by staff of the Liquor and Gaming Branch in undertaking its day-to-day activities. The Branch is located within the Revenue, Gaming and Licensing Division of the Department of Treasury and Finance.

The Liquor and Gaming Branch has offices in Hobart and Launceston, and maintains a presence at Wrest Point Hotel Casino and Country Club Casino.

ACTIVITIES IN 2010-11

Player protection and harm minimisation measures

In early 2009, the Government announced an additional package of measures to address problem gambling in Tasmania. The following progress has been made towards implementing those measures not yet operational:

- In response to the first Social and Economic Impact Study and new provisions in the Act, the Commission is developing a Responsible Gambling Mandatory Code of Practice to improve gambling environments. The Code, on track to be completed in September 2011 for commencement in March 2012, includes practices relating to:
 - advertising gambling products
 - inducements that may lead to problem gambling behaviour
 - player loyalty programs
 - further restrictions on access to cash
 - payment of winnings
 - lighting requirements
 - service of food and alcohol in gaming machine areas
 - clocks in gambling areas
 - improved signage and information to players
- The existing Responsible Conduct of Gambling course is currently being enhanced with a specific focus on problem gambler identification and appropriate engagement by venue staff. The intention is that the new course will be in place in time for the start of the Code in March 2012.

Tasmanian gaming licences

Betfair

Tasmania has the only licensed betting exchange operating in Australia – Betfair Pty Ltd. Betfair is based in Hobart and operates by matching the bets of opposing customers and charging a commission on the winning bets.

During the financial year, Betfair made substantial changes to bet matching algorithms by creating cross matching software that enables bets to be matched more widely. The new algorithm can create a small residual of funds due to rounding and Betfair's discrete odds tables. In approving these processes, the Commission required Betfair to implement a system to return this residual to account holders that had participated in cross matched events. Distributions are to be made four times each year.

Betting exchange taxation

On 27 September 2010, legislation was enacted to amend the taxation rate for betting exchanges and abolish the requirement for the payment of product levy. The rate of taxation on betting exchanges was reduced from 10 per cent on international events and 15 per cent on Australian events to a flat rate of five per cent. These changes resulted in a significant reduction in betting exchange tax collections.

Betting exchange licence fee

In conjunction with the taxation changes, the Government amended the Act to provide for a temporary change in the annual licence fee structure. This changed from a fee of 350 000 fee units per year for a betting exchange endorsement to three non-refundable payments over a five year period. This consisted of an initial fee of 900 000 fee units covering the first three years and further non-refundable amounts of 300 000 fee units to be paid on the third and fourth year anniversary. A fee unit is currently \$1.40.

TOTE Tasmania

TOTE Tasmania has been regulated under the Act since 1 July 2009. The Commission issued four Rectification Orders to TOTE Tasmania in 2009-10 and, over the past twelve months, TOTE Tasmania has continued to work to finalise a number of the requirements contained within the Orders.

TOTE Tasmania continues to strengthen its compliance processes and control systems in line with the Commission's requirements. The Commission expects that TOTE Tasmania's compliance processes will be greatly enhanced by the implementation of the new core wagering system currently under development.

TOTE Tasmania has also broadened its internal Legal and Compliance Team in order to improve its compliance with the Act. Continued support from staff of the Liquor and Gaming Branch is assisting in ensuring compliance processes meet the Commission's requirements.

Accredited testing facilities

The Commission maintains a pre-approved list of Accredited Testing Facilities to provide testing and evaluation services specific to gaming equipment, games and systems used in Tasmania. ATFs are required to undergo probity and be listed on the Roll of Recognised Manufacturers, Suppliers and Testers of Gaming Equipment.

Mathematical modelling, bench testing, code analysis and simulation of live performance are some examples of the rigorous testing carried out by ATFs on behalf of the Commission. The Commission determines approval (or otherwise) of gaming equipment and systems where it is satisfied that they are secure, fair and will operate as intended.

While there have been no changes to the list of ATFs during the year, a change of beneficial ownership occurred in relation to GTA Pty Ltd, which was acquired by Gaming Laboratories International.

The Commission continues to monitor the performance and probity of each ATF. A current list of ATFs is available at www.gaming.tas.gov.au (under “Accredited Testing Facilities”).

Communications

The Liquor and Gaming Branch publishes a quarterly newsletter under the banner of the “Liquor and Gaming Review”. The newsletter is distributed to the holders of liquor and gaming licences, government agencies both in Tasmania and interstate, media and other Branch and Commission stakeholders.

As well as providing information on the functions of the Commission and Branch, the newsletter contains articles on gambling issues to educate and improve the awareness of gaming and wagering operators and their employees, and to enhance and support compliance with legislation.

The Commission also publishes disciplinary actions taken against licence holders and special employees in the newsletter, as well as providing information on new licence holders. The newsletter is available at www.gaming.tas.gov.au (under “Publications”).

In addition to the newsletter, the Executive Director of the Revenue, Gaming and Licensing Division of the Department of Treasury and Finance contributes a column to the bi-monthly Tasmanian Hospitality Association “Hospitality Review”, to impart information and changes on gambling issues, policy and legislation and inform the industry of their legal obligations.

The Branch has continued to update its website during the year to provide ‘latest news’ on gaming and wagering issues and a regular update on initiatives such as the new player protection measures, the Responsible Gambling Mandatory Code of Practice and to create a more usable information platform for the industry and the public.

Stakeholder meetings

Since February 2007, the Commission has conducted meetings with stakeholders. These meetings are designed to allow both parties to raise issues of interest and/or concern, and for key stakeholders, in particular, to discuss matters of Commission policy with the Commission. Key stakeholders with whom the Commission regularly meets include the Treasurer, the Federal Group, Betfair, TOTE Tasmania, the Tasmanian Hospitality Association, Clubs Tasmania, Gamblers Help (Anglicare and Relationships Australia) and the Gambling Support Program of the Department of Health and Human Services.

Surveillance in hotels, clubs and totalisator outlets

All hotel and club gaming operators in Tasmania are required to record the surveillance of gaming activities at their premises. All permanent and most of the temporary TOTE Tasmania outlets also record the surveillance of wagering activities at their premises. At the request of TOTE Tasmania, the Commission has exempted a small number of temporary low-risk outlets that operate infrequently.

As at 1 July 2010, all existing gaming premises were required to ensure their systems met updated technical standards for recorded surveillance.

As part of the normal inspection process, compliance inspectors check that each surveillance system meets the minimum standards as approved by the Commission. The checks conducted during 2010-11 found that, overall, there was good adherence to the standards, although one premises was fined \$3 250 for failing to ensure the surveillance system was functioning at all times that gaming was operating.

The Commission believes that good surveillance protects assets and is vital to the integrity of gaming and wagering. It assists with the exclusion scheme for problem gamblers, provides protection for staff and contributes to a safer gaming and wagering environment for the public.

The current surveillance standards are available at www.gaming.tas.gov.au (under "Rules and Standards").

Responsible conduct of gambling

It is a condition of every special employee licence that he/she must undertake a Responsible Conduct of Gambling Course approved by the Commission, within three months of being licensed.

The Commission has, in the past, approved the Tasmanian Hospitality Association and the Skills Institute as recognised providers of the course in Tasmania.

From 1 July 2010, the Commission determined to recognise only courses that deliver the national competency SITHGAM006A – Provide Responsible Gambling Services as prerequisite training for special employee licences.

The Commission will continue to recognise the qualifications of special employees who have completed the previous Tasmanian Hospitality Association or Skills Institute course for a maximum of five years.

The Commission determined that, from 1 July 2010, all special employees must be retrained in the new course once their existing RCG qualification is more than five years old, with these special employees having 12 months to upgrade to the national competency.

Community support levy

The *Gaming Control Act 1993* requires that a percentage of the gross profit derived from gaming machines in hotels and clubs is paid into the Community Support Levy under the control of the Treasurer. The contribution is

four per cent of the gross profit from gaming machines operated in hotels and clubs. In addition, four per cent of Tasmanian monthly betting exchange commission, derived from brokered wager events held in Australia, is paid to the Community Support Levy.

In 2010-11, \$4 770 223 was paid into the CSL from the profits of gaming machines in clubs and hotels and from betting exchange commission.

Under the Act, the Treasurer must distribute the CSL in the following manner:

- 25 per cent for the benefit of sport and recreation clubs;
- 25 per cent for the benefit of charitable organisations; and
- 50 per cent for the provision of -
 - research into gambling;
 - services for the prevention of compulsive gambling;
 - treatment for the rehabilitation of compulsive gamblers;
 - community education concerning gambling; and
 - other health services.

The Department of Health and Human Services has administrative responsibility for making recommendations to the Minister for Human Services for expenditure in respect to the 50 per cent CSL component. DHHS also administers 25 per cent of CSL funds dedicated to the benefit of charitable organisations.

Sport and Recreation Tasmania, a business unit of the Department of Economic Development, is responsible for expending 25 per cent of the CSL for the benefit of sport and recreation clubs. It does this through two grant programs – the Facilities Grant Program and the Community Grants Program.

The Commission performs a strategic oversight function in respect to the CSL, and is responsible for advising the Treasurer that the allocation of funds from the CSL by DHHS and SRT are in accordance with their respective budgets.

Summary of CSL trust account 2010-11

	50% of Levy to: Support Services, Research, Community Education, Other Health Services	25% of Levy to: Charitable Organisations	25% of Levy to: Sporting Organisations	TOTAL
	\$	\$	\$	\$
Opening Trust Account Balance	1 481 302	537 836	5 956	2 025 094
Add CSL Receipts 2010-11	2 385 111	1 192 556	1 192 556	4 770 223
Total	3 866 413	1 730 392	1 198 512	6 795 317
Less CSL Funds disbursed to DHHS and SRT in 2010-11	3 129 112	1 730 392	1 192 556	6 052 060
Less Funds disbursed to the Department of Treasury and Finance in 2010-11 for the following purposes:				
Social and Economic Impact Study	373 368			373 368
Tasmanian Gambling Exclusion Scheme	33 477			33 477
Responsible Conduct of Gambling Online Course and Handbook	13 400			13 400
Balance of CSL funds in Trust Account as at 30 June 2011	317 056	0	5 956	323 012

The expenditure of CSL funds disbursed to the DHHS and SRT during 2010-11 was as follows:

Problem gambling category (50%)

In 2010-11, \$2 083 743 was expended by DHHS on the provision of services to communities including services to assist those persons and their families affected by problem gambling. Details of the amounts disbursed can be identified in the table on the following page.

Charitable organisations category (25%)

In 2010-11, \$787 240 was expended by the DHHS on the charitable organisations category. \$324 055 was paid to the charitable grants program and \$463 184 to the health and wellbeing grants program. A list of the grant recipients for 2010-11 can be identified by visiting the Department of Health and Human Services website at www.dhhs.tas.gov.au.

Sport and recreation category (25%)

In 2010-11, \$928 008 was expended by SRT on the Sport and Recreation Charitable Grants. A list of the grant recipients for 2010-11 can be identified by visiting the Sport and Recreation Tasmania website at www.sportandrecreation.tas.gov.au.

Summary of CSL expenditure 2010-11

	DHHS	DHHS	SRT	
	50% of Levy to: Support Services, Research, Community Education, Other Health Services	25% of Levy to: Charitable Organisations	25% of Levy to: Sporting Organisations	TOTAL
	\$	\$	\$	\$
CSL monies held from 2009-10 allocation for future expenditure	298 797	991 000	1 165	1 290 962
2010-11 CSL Funds Received ¹	2 794 859	1 215 818	904 248	4 914 925
Total CSL Funds Available 2010-11	3 093 656	2 206 818	905 413	6 205 887
Less Funds allocated for:				
Administration Costs	251 632		25 000	276 632
Gambling Support Services	798 476			798 476
Gambling Community Education	826 340			826 340
Gambling Research	57 294			57 294
Okines Neighbourhood House	150 000			150 000
Charitable Grants		324 055		324 055
Health and Wellbeing Grants		463 185		463 185
Sport and Recreation Charitable Grants			928 008	928 008
Total CSL expenditure 2010-11	2 083 742	787 240	953 008	3 823 990
Monies held by DHHS and SRT from 2010-11 allocation for future expenditure	1 009 914²	1 419 578³	(47 595)⁴	2 381 897

Notes: 1. The fourth quarter disbursement of CSL funds was not received by DHHS and SRT until after the end of the 2010-11 financial year. Therefore amounts of \$334 253 (50% - DHHS), \$514 574 (25% - DHHS) and \$288 306 (25% - SRT) are not included in these figures and will be included in the figures for 2011-12.

2. \$242 660 committed for expenditure during 2010-11, with remainder of the carry forward amount budgeted for during 2010-11 and due to be progressively disbursed by 2012-13.

3. \$1 646 237 committed for expenditure during 2010-11, with remainder to be budgeted for disbursement during 2011-12.

4. All funds budgeted for allocation to SRT were committed during 2010-11.

GAMING AND WAGERING TABLES 2010-11

Player expenditure, taxation and fees

1 JULY 2006 TO 30 JUNE 2011

CASINOS	TAXATION AND FEES					PLAYER EXPENDITURE				
	2006-07 \$	2007-08 \$	2008-09 \$	2009-10 \$	2010-11 \$	2006-07 \$	2007-08 \$	2008-09 \$	2009-10 \$	2010-11 \$
Table Gaming	72 887	88 342	88 807	84 548	90 167	8 282 667	10 039 465	10 039 324	9 607 791	10 228 196
Gaming Machines ¹	22 076 137	23 433 959	24 471 254	23 286 396	23 551 108	91 338 831	96 640 260	100 809 015	95 847 718	97 075 039
Keno Gaming	135 545	152 921	180 246	182 809	200 262	2 305 185	2 600 693	3 065 416	3 108 995	3 405 818
Casino Unclaimed Prizes ²	3 999	2 913	4 246	4 020	3 866	n/a	n/a	n/a	n/a	n/a
Total Casinos	22 288 569	23 678 134	24 744 554	23 557 773	23 845 402	101 926 682	109 280 417	113 913 755	108 564 504	110 709 053
HOTELS AND CLUBS										
Gaming Machines	28 712 264	30 047 861	31 799 699	30 630 012	30 398 290	112 154 027	117 297 777	123 977 312	119 644 330	118 623 525
Keno Gaming	1 230 969	1 314 435	1 512 301	1 471 436	1 620 465	20 780 179	22 362 529	25 791 541	25 024 419	27 601 222
Keno Unclaimed Prizes	280 609	302 720	293 541	307 577	331 236	n/a	n/a	n/a	n/a	n/a
Total Hotels and Clubs	30 223 842	31 665 015	33 605 540	32 409 024	32 349 990	132 934 206	139 660 306	149 768 853	144 668 749	146 224 748
INTERNET GAMING AND WAGERING										
Betting Exchange Tax ³	2 461 983	2 761 404	3 832 320	4 438 000	2 398 544	n/a	n/a	n/a	n/a	n/a
Betting Exchange Product Levy ^{4,5}	2 536 319	2 894 504	4 103 107	2 281 061	55 150	n/a	n/a	n/a	n/a	n/a
Total Internet Gaming and Wagering	4 998 302	5 655 908	7 935 427	6 719 061	2 453 693					
LOTTERIES										
Lotteries	24 134 062	25 263 558	23 383 528	26 881 879	25 042 568	30 395 543	31 818 083	30 847 191	35 701 285	33 276 046
Soccer Pools	47 636	47 676	65 229	68 019	57 166	82 816	82 887	113 403	118 253	99 384
Tipstar	27 226	14 324	n/a	n/a	n/a	51 020	25 908	n/a	n/a	n/a
Total Lotteries	24 208 924	25 325 559	23 448 757	26 949 898	25 099 733	30 529 379	31 926 878	30 960 594	35 819 538	33 375 430
TOTAL TAXATION / EXPENDITURE	81 719 637	86 324 617	89 734 278	89 635 756	83 748 819	265 390 267	280 867 601	294 643 202	289 052 791	290 309 230
LICENCE FEES AND PENALTIES										
Casino Licence Fees	2 914 799	2 997 620	3 110 400	3 177 600	3 278 400					
Casino Penalties	39 694	4 149	5 599	0	0					
Hotel and Club Fees	254 821	320 049	324 004	315 322	323 378					
Hotel and Club Penalties	4 000	14 760	8 400	3 233	3 347					
Minor Gaming Fees	21 000	36 699	35 028	35 720	48 015					
Internet Gaming and Wagering Fees ⁶	423 500	437 500	448 000	465 500	1 523 176					
Annual Totalizator Wagering Levy	n/a	n/a	n/a	6 251 000	6 392 000					
Tasmanian Gaming Licence Penalties ⁷	0	0	0	0	10 497					
Total Licence Fees and Penalties	3 657 814	3 810 777	3 931 431	10 248 374	11 578 815					
TOTAL	85 377 451	90 135 394	93 665 709	99 884 130	95 327 634	265 390 269	280 867 601	294 643 200	289 052 791	290 309 230

Notes: 1. The figures reported for casino gaming machines includes gaming conducted on the Spirits of Tasmania ferries.

2. Casino unclaimed prizes includes gaming machine unclaimed prizes.

3. In September 2010, the Betting Exchange tax rates were reduced to 5% in the *Gaming Control Act 1993*.

4. Product Levy amounts in 2009-10 and 2010-11 were reduced by amounts rebated for product levy payments to other jurisdictions.

5. In September 2010, the requirement for a Betting Exchange to pay a 20% Product Levy was removed from the *Gaming Control Act 1993*.

6. Includes non refundable three year Betting Exchange endorsement fee payment in February 2011.

7. Penalties include players winnings forfeited to the Crown.

Hotel and club gaming machine player expenditure¹ by municipality

Municipality	2009-10	2010-11
Combined Municipalities ²	\$17,923,360	\$17,617,677
Burnie	\$7,602,548	\$7,673,645
Central Coast	\$6,476,546	\$6,556,855
Clarence	\$8,816,018	\$8,871,849
Devonport	\$11,446,559	\$11,496,398
Dorset	\$1,573,080	\$1,567,850
George Town	\$1,999,342	\$1,849,101
Glamorgan-Spring Bay	\$1,334,342	\$1,253,635
Glenorchy	\$21,484,699	\$21,532,970
Hobart ³	\$6,886,104	\$6,510,829
Kingborough	\$1,903,248	\$1,863,525
Launceston ³	\$18,189,011	\$18,668,260
Sorell	\$2,714,613	\$2,648,221
Waratah-Wynyard	\$5,852,806	\$5,805,644
West Coast	\$2,665,005	\$2,614,132
West Tamar	\$2,360,005	\$2,136,671
Total	\$119,227,285	\$118,667,260

Notes:

1. Player expenditure is the total amount wagered less the amount won, by people who gamble; figures have been reported as accrual amounts.
2. Municipalities with less than three premises have been combined to protect information of a highly sensitive commercial nature: Break O'Day, Brighton, Circular Head, Derwent Valley, Huon Valley, Kentish, King Island, Latrobe, Meander Valley, Northern Midlands and Southern Midlands.
3. Figures for Hobart and Launceston exclude gaming machines operating at Wrest Point and Country Club Casinos.

Tax rates relating to gaming and wagering activities in Tasmania

Gaming Activity		Tax Rate
Casino table games		0.88% of annual gross profit
Keno		5.88% of annual gross profit
TT-Line (Spirit of Tasmania vessels)		
	Gaming machines for TT-Line	17.91% of annual gross profit
	Other forms of gaming for TT-Line	7.91% of annual gross profit
Gaming machines ¹	<i>Annual Gross Profit(\$)</i>	
	<35 million	20.88%
	>35 million	25.88% of excess
Additional 4% CSL derived from hotels and clubs annual gross profit		
Internet gaming and wagering		
	Betting exchange	5% of commissions received ²
Additional CSL amount being 4% of commission received from Tasmanian residents on events held in Australia. ³		
Lotteries (no state lotteries)	Through a revenue sharing arrangement with Victoria and Queensland, Tasmania receives tax collected in those states for all tickets sold in Tasmania.	

Notes:

1. Gaming machine tax is calculated on combined gross profit for both casinos and all hotels and clubs.
2. The tax rate changed from 15 per cent on Australian events and 10 percent on international events on 27 September 2010.
3. This amount is paid into the CSL by the Treasurer.

Hotel and club gaming machine numbers

	Hotels		Clubs		Total	
	No of venues	No of machines	No of venues	No of machines	No of venues	No of machines
30 June 2010	90	2 206	10	173	100	2 379
30 June 2011	90	2 215	10	173	100	2 388

Special employee and technician licences issued or renewed

During 2010-11, 1 093 special employee licences and 99 technician licences were issued (including renewal applications). As a consequence of incomplete applications, probity and integrity concerns, the Commission rejected nine applications.

The total number of licensed special employees increased from 3 762 in 2009-10 to 3 840 in 2010-11.

The total number of licensed technicians decreased from 312 in 2009-10 to 294 in 2010-11.

	Special Employees				Technicians
	Casino	Licensed Premises Gaming Operative ²	Gaming Operator	Tasmanian Gaming Licence Operatives ³	
Licences Issued for period 2010-11 ¹	117	811	15	184	100
Applications Rejected for period 2010-11	0	9	0	0	0
Licences Issued as at 30/06/2011	561	2 910	48	287	294
Applications Pending as at 30/06/2011	1	41	1	17	2

Notes:

1. Licences issued include all new licences issued, renewed licences as well as existing licences that have been upgraded to a new category of licence.
2. Licensed Premises Gaming Operative includes hotel and club employees.
3. Tasmanian Gaming Licence Operatives includes betting exchange and totalisator employees.

Minor gaming permits

During 2010-11, the Commission issued 364 permits to conduct minor gaming. The table below lists the approvals for authorised games during that period.

Game	Authorised Game Approvals
Raffles	33
Bingo	66
Lucky Envelopes	299
Calcutta Sweepstakes	21
Multi Draw Bingo	2

Further information on minor gaming, including permit applications, is available at www.gaming.tas.gov.au (under "Minor Gaming").

Rectification orders issued to hotel and club operators

Rectification Orders issued 2006-07 to 2010-11		
	Hotels	Clubs
2006-07	16	4
2007-08	36	2
2008-09	13	5
2009-10	42	8
2010-11	68	2

The increase in orders issued during the 2009-10 and 2010-11 periods is partly attributed to an increased focus on ensuring compliance with current video surveillance standards.

Complaints received and investigated by the Commission

	Table games	Keno	Gaming machines	Exclusion	Wagering	Other (general)	Minor gaming	Total
Casino	4	0	4	0	0	2	0	10
Premises	N/A	6	7	4	0	2	4	23
Gaming Operator	N/A	1	3	0	N/A	0	N/A	4
Tasmanian Gaming Licence	N/A	N/A	N/A	0	37	N/A	N/A	37

Disciplinary action against Tasmanian gaming licence holders

Licence Holder	Section of Act	Date of Breach	Outcome
TOTE Tasmania Pty Ltd	112P	7-Sep-2010	Letter of Censure
TOTE Tasmania Pty Ltd	76ZW	7-Sep-2010	Fined \$3 900
TOTE Tasmania Pty Ltd	78	2-Nov-2010	Letter of Censure
TOTE Tasmania Pty Ltd	76ZZI	1-Feb-2011	Fined \$6 500
Betfair Pty Ltd	76ZZI	24-Feb-2011	Letter of Censure

Disciplinary action against gaming premises

Licence Holder	Venue	Section of Act	Date of Breach	Outcome
James Marshall McGrath	Newstead Hotel	92(2)	6-Jul-2010	Fined \$3 250

Disciplinary action against special employees

Licence Holder	Section of Act	Date of Breach	Outcome
Samuel Robert Brain	112S(1)(a)	3-Aug-2010	Licence Cancelled
Stacey Lee Ransley	112S(1)(e)	7-Sep-2010	Condition Imposed
John Gerard Santi	112S(1)(e)	5-Oct-2010	Licence Cancelled
Johnny Reginald Brown	112S(1)(a)	2-Nov-2010	Licence Cancelled
Mark Dodson-Heron	56(3)	16-Dec-2010	Letter of Censure
Tegan Maria Odgers	112U(1)(b)	14-Jan-2011	Licence Suspended
Anna Lee Forrest	56(3) & 94(1)	5-Apr-2011	Licence Cancelled
Andrew Meno	112S(1)(e)	3-May-2011	Condition Imposed
Jack McCarthy	76ZZC	7-Jun-2011	Letter of Censure
Daniel Charles Stevens	76ZZC	7-Jun-2011	Letter of Censure

In addition, 56 special employee licences were suspended during 2010-11 for non-attendance at an approved Responsible Conduct of Gambling course in accordance with a condition of their licences (in breach of Section 56(3) of the Act).

GLOSSARY

Betting exchange:

A betting exchange means a facility that enables persons to:

- (a) place or accept, through the betting exchange operator, wagers with other persons; or
- (b) place with the betting exchange operator wagers that, on acceptance, are matched with opposing wagers placed with and accepted by the operator (so as to offset all risk to the operator).

Casino gaming:

Includes wagers on table games, gaming machines and keno systems at a casino. Casino games have set rules and fixed odds, designed to return a percentage from each wager to the casino operator.

GamblersHelp:

A group of gambling support service providers, contracted by the Department of Health and Human Services and funded through the Community Support Levy, offering counselling services and support to anyone affected by gambling.

Gambling:

The lawful placement of a wager or bet on the outcome of a game of chance or future uncertain event (for example, horse race or sports event).

Gaming:

Gaming is all legal forms of gambling on games of chance or part games of chance, such as lotteries, poker, gaming machines, casino gaming, football pools, minor gaming and some forms of interactive gaming.

Gaming machines:

A device where a player may place a wager on a game of pure chance or a game of both chance and an application of skill, but not pure skill or manual dexterity with potential to win a prize either in cash or in kind. In most jurisdictions, including Tasmania, operators must return at least 85 per cent of wagers to players as winnings, either by cash or a mixture of cash and product. Gaming machines have the capacity to be linked in order to offer major jackpots.

Interactive gaming:

Interactive gaming is defined as the act of gambling or wagering via a telecommunications device (such as the internet or telephone) in a contingency relating to a sports event, fixed odds wagering event (horse or greyhound racing), simulated game, major lottery, pools or brokered wagering (betting exchange) event.

Keno:

A game where a player wagers that their chosen numbers match any of the 20 numbers randomly selected from a group of 80 numbers via a computer

system. Keno is linked to all licensed gaming venues in Tasmania enabling the operator to offer large jackpot prizes. Keno has a fixed pay-scale such that the payout for each wager is established by rules, and is independent of the total wagers made on the game.

Lotteries:

A lottery is a scheme or device for the distribution of a prize, where the distribution of the prize involves an element of chance for which payment or consideration is given (i.e. the sale of a ticket). Lottery products include things such as lotto, pools and instant lotteries and these products are sold by lottery operators at various outlets around Australia such as newsagents.

Minor gaming:

The collective name given to raffles, bingo, lucky envelopes and calcutta sweepstakes.

Pools:

The pools is a numbers game of chance where the winning numbers are based on the results of the United Kingdom or Australian soccer matches.

Player expenditure:

The amount of money that players have lost gambling during a given period.

Racing:

Is the legal conduct of thoroughbred, harness or greyhound racing.

Special employee:

A special employee is the holder of a licence under the *Gaming Control Act 1993* who may be employed by a hotel or club, casino, betting exchange operator or totalizator operator to undertake prescribed duties in relation to gaming or wagering operations.

Technician:

A technician is the holder of a licence under the Act who may install, repair or maintain gaming equipment in Tasmania, including gaming machines, security systems and gaming and wagering equipment.

Wagering:

Wagering is all legal forms of gambling on racing and sporting events.