



## **Future of Gaming in Tasmania – Stage 2 public consultation July 2021**

9<sup>th</sup> August 2021

### **Submitted to:**

[future.gaming@treasury.tas.gov.au](mailto:future.gaming@treasury.tas.gov.au)

The Secretary  
Department of Treasury and Finance  
GPO Box 147  
HOBART TAS 7001  
Attention: Future Gaming Market Project

The Tasmanian Hospitality Association (THA) is the industry peak body for hotels, pubs, accommodation venues, restaurants, cafes, caterers, sporting, community and RSL clubs in Tasmania.

THA represent a wide range of hospitality venues including pubs and clubs in Tasmania that have Electronic Gaming Machines (EGM's), with all EGM venues members of the THA (except for one).

### **THA Submission**

This submission is put forward on behalf of the THA and its' members with EGM's.

The THA EGM members are excited about the opportunity this legislation brings to their business. Through the THA, they will continue to work with government and regulators towards building a strong and viable industry continuing to make it world leading starting on the 1<sup>st</sup> July 2023.

The primary concern of the THA is to make sure that the smaller and regional venues with EGM's are 'better off' under the new model and the industry can move forward with confidence and surety for all involved.

### **Gaming Commission**

We believe with the workload placed on the Tasmanian Liquor and Gaming Commission through this legislative change, there needs to be an increase in the number of members on the Commission with a focus on knowledge and understanding of both the gaming industry and business operators. We believe the Commission could increase in size (number of members).

There needs to be an appeal process for operators if they disagree with a decision by the Gaming Commission. Our members don't believe the commission should be the overall 'end of the road' decision maker.

### **Licensed Monitoring Operator (LMO)**

It is important that the LMO system is fair and reasonable. Price gouging by the LMO will make it unviable for many venues to operate. History in other states suggests that if you don't get this right, it will have major ramifications for venues and government. Defining the price for core monitoring and regulatory fee services in the Regulations is essential.

The level of service and standards needs to be clearly defined throughout the whole state and not place regional or smaller venues at a disadvantage.

The prices set for the LMO need to be clearly set out through the tender, not just for core monitoring services but for the full range of other services being offered. In the end, venues will need to be comfortable on the cost and level of service moving forward. The THA is happy to work with government on this to ensure all venues are represented and considered.

The THA does not support a tender process or any other regulation that would mandate, any requirement for a system that restricts the LMO from providing the best possible fee for service, as this could be detrimental to the interests of pubs and clubs. These changes to the legislation are to allow us to get the best system in place as of July 1<sup>st</sup> 2023.

### **Keno**

The THA stands by its previous submission in March 2020: -

*"The THA believes that commission, fees and charges should be agreed between THA and the keno operator, seeing as the THA is the peak industry body, this will ensure venues receive adequate revenue going forward".*

Obviously, government, through Treasury, would be involved with this process also.

We do respect that the tax rate has gone up considerably for the operator involved, but venues are calling for a greater share and/or less costs into the future.

### **Support for Industry**

To ensure that every venue can operate with confidence and support, all operators with EGM's have agreed to the creation of an Industry Support Levy that every venue will pay. The levy needs to be enshrined in legislation. The proposed levy is based on a percentage of the gross revenue derived from EGM's. This gaming levy will fund the THA to provide support and assistance in the day-to-day operations of venues.

## **Community Support Levy (CSL)**

The THA is supportive of the proposed changes to increase the CSL in Tasmania.

The THA firmly believes Neighbourhood Houses that are currently funded from the CSL need to come out and be funded from the appropriate budget area (Not the CSL). This would put well over \$1 million back into the CSL each year.

The THA also seeks a greater awareness program designed to provide the public and community organisations with an understanding of the origin of CSL funds. In years past, in any grants program that expended CSL funds, the letters had to state the origins of the funds. This needs to be reinstated under the new system.

We would like to work with the government to see the CSL better spent to help minimise harm from problem gambling. We believe that funding could be provided to look at a better self-exclusion program than currently exists.

We also believe that funding from the CSL could go towards helping venues and staff meet their obligations under the Act. For example, by funding 'Gaming Care Officers' to assist with training and the like.

The THA believes increasing the CSL is a great way to do more in the community sport and recreation space and do more to get people active and improve facilities for sporting clubs in the state.

## **Transitional Arrangements**

There are many issues that need to be addressed as we move into the new system. The government must work with the THA to address issues as they arise. Going from an exclusive arrangement to the new owner/operator model will bring challenges. The government is encouraged to make sure that venues are not disadvantaged as they move into the new system.

We look forward to seeing this legislation passed and will continue to work with the government and regulators to implement the new system successfully.

Yours sincerely



Steve Old  
**CEO**