

# Survey Questions - allocation of Community Support Levy Funding under the Future Gaming Market - July 2021

## INTRODUCTION

The Government announced, in the release of its future gaming market policy, that there would be a significant increase in Community Support Levy (CSL) funding available for distribution from 1 July 2023. The CSL, applied to the gross profit of Electronic Gaming Machines (EGMs), is currently set at four per cent for hotels and clubs. Government will effectively double the CSL fund to improve harm minimisation by increasing the hotel rate and extending the CSL to EGMs in casinos.

Under the policy, hotels will pay a CSL of five per cent, clubs four per cent, and casinos will pay three per cent. To the extent that these levies are not sufficient to double the funding pool from current levels, Government has committed to providing a direct contribution.

With a new gaming market structure and an increased pool of CSL funds, a revised CSL distribution model is being considered.

While the objective of the CSL itself will not change, the objective of any changes to the CSL distribution model will be to improve the effectiveness of the CSL through allocation of the increased funds.

## PURPOSE OF THIS SURVEY

The purpose of this survey is to seek your input into how the increased CSL funds ought to be distributed, with the aim of improving the effectiveness of the CSL.

## CURRENT CSL MODEL

The *Gaming Control Act 1993* currently specifies that the CSL is distributed as follows:

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

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## PROPOSED CSL MODEL

The proposed legislative amendments require that the Minister must distribute the total CSL in the manner prescribed by the regulations. This replaces the current requirement in the Act that the Minister must distribute the CSL to specified categories in accordance with specified weightings.

This will provide greater flexibility and responsiveness to any emerging issues and changes in priorities within the gambling environment, with Parliamentary oversight through the making of regulations.

## SURVEY QUESTIONS

### Categories for distribution of the CSL

It is proposed that the following new, and more broadly worded, categories for distribution of the CSL replace the current categories and set weightings contained in the Act.

**Subject to this consultation, these categories will be included in the regulations:**

- **community capacity building projects or initiatives;**
- **preventative programs or initiatives;**
- **direct support programs or initiatives; and**
- **research activities.**

In relation to the above categories for the distribution of CSL funds, we would appreciate your feedback to the following questions:

1. Do you support the proposed categories? YES / NO

YES: but with a focus on making a real difference and not just “ticking a box” .

2. If you answered “NO” for question 1, what categories would you suggest and why?

Neighbourhood Houses in Tasmania have experienced some changes with increased numbers of community members seeking assistance after gambling stresses during the COVID periods. The current allocation of resources towards prevention activities is obviously not effective and indeed may be getting worse. This increase seems have elements of isolation, internet gambling and poverty.

3. Do you think that one or more of the categories should receive a greater proportion of funding over any of the others? YES / NO

YES

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4. If you answered "YES" for question 3, please provide details of your recommended weightings for each category and why.

Current problem gambling and family support is not accessible in all areas of Tasmania and is not always timely and responsive. This leaves other community services supporting the complex issues related to gambling and alcohol overuse.

It is uncertain if current prevention strategies are effective as the underlying social and environmental issues impacting upon overuse or problematic use of Electronic Gaming Machines remain unchanged. A more flexible approach should be used as societal and individual pressures change. There is a lack of systems thinking with the COVID payments having several unwanted effects.

Neighbourhood Houses believe that in an ideal world the funds should be spent on prevention in the broader sense and not just a poster in the Club, Pub, or casino. However, there is limited evidence that the current investment is working or making a difference. Therefore funds must be used to decrease isolation and assist with community engagement as well as providing support to families impacted upon by problem gambling behaviours.

5. Do you believe that the percentages should be more flexible at the margins, eg "not more than x per cent" or "no less than x per cent", rather than a set percentage? YES / NO

Yes. Neighbourhood Houses Tasmania recommends that at least annually, information about the harm of gambling which appears directly linked to the areas earning the most income from the Electronic Gaming Machines is made available. This information should inform the geographic areas in most need and support a stronger "place-based" approach to both prevention and support.

6. Are there any other comments you wish to provide regarding the proposed categories for the distribution of CSL funds?

Neighbourhood Houses Tasmania is alarmed that the concepts do not adequately reflect the harm caused to others by the gambling. When combined to the harms linked with alcohol gambling has profound effects on families, women and children.

Please change the language and thinking.

## Considerations for the distribution of the CSL

It is proposed that the following considerations inform the distribution of CSL funding within the categories under the new model. For funding to be approved, a project, program or grant would need to be consistent with at least one of these considerations.

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**Subject to this consultation, these considerations for the approval of funding from the CSL within each category will be included in the regulations:**

- **creating a link between the location of gambling losses and CSL spending;**
- **collaboration and partnering with other organisations to maximise reach and delivery of programs/initiatives to support prevention and treatment of problem gambling;**
- **supporting long term programs aimed at reducing problem gambling behaviour;**
- **supporting one-off grants for major initiatives aimed at reducing problem gambling;**
- **provisioning of ongoing counselling for problem gamblers;**
- **investment in programs, infrastructure and activities that enable greater community engagement and healthy lifestyle opportunities (as a diversion from gambling);**
- **supporting funding for research and evaluation of problem gamblers; and**
- **ensuring the distribution of the CSL is subject to regular review (eg to be reviewed every five years following the Social and Economic Impact Studies).**

In relation to the above considerations for determining the distribution of CSL funds, we would appreciate your feedback to the following questions:

1. Do you support the above considerations? YES / NO / NOT ALL

Ambivalent

2. If you answered “NO” or “NOT ALL” for question 1, please provide details of the considerations you would suggest for determining the allocation of CSL funds and why?

This is a very emotive area of social policy and must be fully transparent with no hint of political interference. The funding allocation must be reported Annually and have clear links to improved social outcomes. Neighbourhood Houses Tasmania is concerned that funding will be used flippantly or cynically without proper safeguards in place.

3. Are there any other comments you wish to provide regarding the proposed considerations for informing the distribution of CSL funds?

All of the funding should be directly linked to the communities experiencing harm.

Thank you for your input.