

# Department of Communities Tasmania

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Attention: [REDACTED]

Dear [REDACTED]

## **Subject: Department of Communities Tasmania feedback to Future of Gaming in Tasmania Public Consultation Paper**

Thank you for your correspondence of 4 March 2020 offering the Department of Communities Tasmania the opportunity to provide input into the Department of Treasury and Finance's *Future of Gaming in Tasmania* policy.

As the agency responsible for the Government's public health response to the impacts of gambling in Tasmania and for the management of the Community Support Levy (CSL) funds, Communities Tasmania is very interested in ongoing involvement in the development and implementation of the policy and any proposed changes to the management of the CSL.

Communities Tasmania is particularly interested in the impact of electronic gaming machine (EGM) gambling on Tasmanian communities. The 2017 Social and Economic Impact Study of Gambling in Tasmania (2017 SEIS) found that moderate and high-risk gamblers account for 28 per cent of EGM losses. Similarly, 2018-19 data from funded in-person and phone-based gambling support services shows that, of the people who sought support through gamblers help services and provided their primary form of gambling, over 70 per cent reported EGMs as their primary gambling activity.

### **Electronic Gaming Machines**

The introduction of a cap on EGMs for casinos and a reduction in the cap on EGMs for clubs and hotels is welcomed, although it is noted that the cap on EGMs in clubs and hotels cap still exceeds the current number of deployed EGMs.

### **New or expanded gambling products**

Communities Tasmania notes that the introduction of fully automated table games (FATGs) in Tasmanian casinos may potentially cause gambling harms. As FATGs do not require a dealer, the opportunities for appropriately trained staff to identify and address signs of problematic gambling behaviour amongst players are reduced. Additionally, the introduction of FATGs provides the potential to increase the rate of play, thereby intensifying gambling engagement and increasing the potential for gambling harms.

Communities Tasmania notes that the introduction of simulated racing games (e.g. Trackside/Racetrax) into hotels, clubs and other gaming venues has the potential to cause gambling

harms. Communities Tasmania has previously expressed concern regarding the visibility of Keno in family sections of hotels and clubs. The introduction of simulated racing games in similar areas may have similar impacts in terms of normalising gambling for children and minors. Even if restricted to the gambling areas of venues, the introduction of a new product may also result in some community harms.

### **Community Support Levy**

Communities Tasmania is supportive of the proposed increase in Community Support Levy (CSL) funding. The increased funding would primarily be directed to community education and community awareness. The funding would allow both a greater variety and volume of innovative, factual and targeted messaging.

Communities Tasmania supports the proposed consultative review of the categories and proportions for the distribution of the CSL. Communities Tasmania also supports the additional opportunities for review and flexibility that would result from the CSL distribution provisions being moved to Regulations from the *Gaming Control Act 1993* (“the Act”).

Communities Tasmania notes that the distribution of gambling-sourced funding is of significant public interest and the distribution of the CSL should aim to address gambling harm in a way that reflects community sentiment.

Communities Tasmania also notes that 25 per cent of the CSL is allocated under the Act “for the benefit of sport and recreation clubs”.

This funding is distributed through the Sport and Recreation Major and Minor Grant Programs. The objective of the Major and Minor Grants is to support increased participation opportunities through providing funding for equipment and facility improvement projects. Up to 50 per cent of the total project costs may be funded. Minor Grants provide amounts between \$500 and \$10,000, and Major Grants provide amounts between \$15,000 and \$80,000.

From its introduction in 1996-97, over \$22 million has been allocated for a wide range of projects which benefit sport and recreation clubs. This funding is currently the only ongoing source of Tasmanian Government funding to support the upgrading of sport and active recreation facilities and equipment purchases. From time to time, the Government may allocate funding to other programs (such as the former Community Infrastructure Fund through the Department of State Growth or Community, Sport and Recreation’s Levelling the Playing Field Grants Program in 2018-20), or through one-off commitments such as election commitments.

The Major and Minor Grants Programs are oversubscribed, with the amount of funding requested in recent years being almost double the amount of available funding. However, the funding awarded under the Grants Programs leverages more than two dollars for every dollar invested.

Communities Tasmania considers that an increase in funding available for sport and recreation projects through the revised CSL would have significant benefit for the community. Increased funding would support the Tasmanian Government’s objective of Tasmania being the healthiest population by 2025 and allow greater flexibility to meet other Government priorities. Some examples of use of additional funding are:

- Increasing the current funding cap for major infrastructure projects;
- supporting a broader range of projects;
- supporting governance/education/training for sporting organisations; and/or
- targeting groups which have been previously excluded or restricted in participation, or to address emerging needs (e.g. mental health).

### **Removing Restrictions on the use of CSL Funds to Support Sport and Recreation**

Communities Tasmania requests that the wording in the Act for the sport and recreation component be revised. Under the current wording, there must be an identifiable club which benefits

from the funding. While funding may be provided to non-clubs which provide facilities or services to clubs, such as local councils, this precludes funding being provided to other service providers or to upgrade other facilities. For example, funding is generally not able to be provided for skateparks, walking trails, exercise equipment etc as no club is readily identifiable.

Changing demographics and individual preferences have led to a shift away from the model of formal club membership that was more typical in years gone by, highlighting the need for greater flexibility in funding allocation.

It is noted that the equivalent fund in Victoria, the Community Support Fund, provides greater flexibility by permitting that funding may be provided, among others, to 'programs for the benefit of sport and recreation' (S10.3.3(1)(b) of the Gambling Regulation Act 2003), rather than tying the funding to clubs.

It should be noted that Communities Tasmania's current Grants Programs further defines 'recreation' as 'active recreation' in order to support physical activity. Communities Tasmania does not support replacing 'recreation' with 'active recreation' in the legislation as it would restrict possible future funding allocations to other recreational activities which have important social or other health benefits. As a result, Communities Tasmania proposes that the wording in the Act (or Regulations) should be "[%] for the benefit of sport and recreation"

### **Social and Economic Impact Studies of Gambling in Tasmania (SEIS)**

Given the stability of the data and the increased opportunity to design the survey, Communities Tasmania supports decreasing the frequency of the SEIS to once every five years.

Thank you once again for the opportunity to comment.

Yours sincerely



Michael Pervan  
Secretary

16 March 2020