



## NORTON HOSPITALITY GROUP

16 March 2020

The Secretary  
Department of Treasury and Finance  
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### Future of Gaming in Tasmania Public Consultation Paper 2020

The Empire Hotel is located in the historic mining town of Queenstown on Tasmania's West Coast and is a major employer of hospitality workers in the region. Currently employing 25 locals across its various income streams of Accommodation, Kitchen, Dining Room, Bar, Retail and Gaming, the venue forms part of the Tasmanian family owned Norton Hospitality Group.

Margins in food, beverage, accommodation and retail are shrinking and it is becoming increasingly more difficult to rely on these income streams alone for profitability.

### Future Gaming Market

Gaming is a critical income stream for Empire's ongoing survival and profitability. We therefore support the exclusivity arrangements.

We support the Tasmanian Government's steps to create individual Gaming Licenses for hotels and clubs to own and operate their own Gaming Machines. We also support the Government's plans to direct a portion of future increased revenue to support Harm Minimisation. We agree that these steps will ensure and allow for reinvestment within our venue and in turn ensure the ongoing viability of our business, and the hospitality industry within our State.

I offer further comment as follows:

- 1. Community Support Levy:** The increase proposed towards the Community Support Levy (CSL) is welcome. However, we feel that the funds should be dispersed more widely to support all forms of gambling in our community, i.e. online gambling, Lotto, Sports Betting, and Racing. We also need more support to be channelled to the support providers, to ensure they routinely engage and assist problem gamblers. **Could the increase to the CSL provide mandatory counselling for all self-excluded problem gamblers?**

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2. **Harm Minimisation:** Tasmania has the most robust harm minimisation rules in Australia, and we understand the need to maintain best practice. However, the Mandatory Code of Conduct is heavily weighted towards venue operators and staff, and more restrictions will only negatively impact our business, and the majority of customers who gamble responsibly. Whilst we understand the need for further prevention, targeting gambling in pubs does not lessen the broader risk from problem gamblers using other forms of gambling as previously noted, and the need for increased support to Counselling providers. **We request that any review of the Mandatory Code of Conduct considers providing support services with further resources to increase engagement with problem gamblers across all streams of gambling products.**
3. **Purchasing Electronic Gaming Machines (EGM's):** The current 30 Lines Game restriction in Tasmania would have an immediate financial and commercial disadvantage to our Gaming pubs. Manufacturers would be forced to custom build games just for the Tasmanian market, which represents less than 2% of the national EGM market. It may not be economically viable for manufacturers to develop reduced line games for Tasmania, which would inevitably result in reduced purchase options, and most likely prohibitive purchase costs. Prohibiting entry to a fair and equitable playing field for Tasmanian Gaming operators, in line with our National counterparts, will impact substantially on the viability of our business. **We urge the Government to ensure we have market choice for purchase, and to consider the financial and commercial impact on our businesses if the Games restriction in Tasmanian is not increased to 50 Lines.**
4. **Alternative Technology:** The new Gaming Model in Tasmania should consider this an opportunity to introduce alternative and new technology to alleviate the current and restrictive practices in Tasmanian Gaming venues for:
  - **Customers having access to cash for the purchase of a range of services in our Pubs, not just gaming – by allowing ATM's.** The need for an ATM in our Pub is becoming increasingly prevalent, for accessing other services we offer, i.e. accommodation, dining, retail and bar. While there is no doubt that payment through credit card, EFTPOS or Tap and Go is increasing, we find in the West Coast of Tasmania, there are still a high number of tourists and locals who prefer to withdraw cash. People expect access to their cash, and more and more we are expected to be a 'bank' as existing banks are closing or restricting hours in regional towns. Our bank in Queenstown now only operates limited days and hours in the week.
  - **Reducing Workplace Health and Safety and Security risks - by introducing Note Acceptors into EGM's.** Systems and technology exist and are used by our mainland counterparts, that can restrict withdrawals to limits set by the Mandatory Code of Conduct. Note acceptors are provided in EGM's in other jurisdictions, that have alleviated Workplace Health & Safety risks associated with staff carrying and handling large amounts of coin.

- **Eliminating the potential for Armed Robbery even further – by introducing cashless solutions such as a ticket-in, ticket-out, card system.** There will continue to be a serious risk to our Pubs in regional areas, carrying large amounts of cash on our premises for Gaming. The ideal solution would be to introduce a card-based system for EGM's which has major benefits for protecting our staff, our business and the community from the risks associated large amounts of cash on premise. Such systems can be programmed to meet the limits set by the Mandatory Code of Practice to ensure responsible gambling.
- 5. Licensed Machine Operator (LMO):** The future Gaming Model for Tasmania should ensure that all venues are protected from exploitative practices, or excessive charges. Any fees or charges set by the Licensed Machine Operator must be approved by Government and Industry and would seek to ensure that service levels in regional areas are consistent with larger or more metropolitan operators. **We urge the Government to ensure that Gaming venues are not worse off under a new single LMO.**

**Conclusion:**

We fully support the Tasmanian Government moving to an Owner Operator model. This will ensure a fair and consistent playing field and create a safer and more sustainable Gaming industry in Tasmania if the many challenges and restrictions we currently face are addressed in the process.

The new Gaming Model will create confidence for us to continue to invest and grow our business in Queenstown, and to ensure the ongoing viability of small business operators providing Hospitality and Tourism employment and services in the West Coast region.

Margaret Burt  
Business Manager

Ralph Norton  
Director