LEGAL AFFAIRS AND SAFETY COMMITTEE

Members present:
Mr PS Russo MP—Chair
Mr MC Berkman MP
Ms SL Bolton MP (virtual)
Ms JM Bush MP
Mrs DK Frecklington MP
Mr JE Hunt MP (virtual)
Mr JM Krause MP
Mr TJ Nicholls MP

Staff present:
Ms R Easten—Committee Secretary
Ms M Telford—Assistant Committee Secretary

PUBLIC HEARING—INQUIRY INTO THE CASINO CONTROL AND OTHER LEGISLATION AMENDMENT BILL

TRANSCRIPT OF PROCEEDINGS

MONDAY 11 JULY 2022

Brisbane

MONDAY, 11 JULY 2022

The committee met at 10.30 am.

CHAIR: Good morning. I declare open this public hearing for the committee's inquiry into the Casino Control and Other Legislation Amendment Bill. My name is Peter Russo. I am the member for Toohey and chair of the committee. I would like to respectfully acknowledge the traditional custodians of the land on which we meet today and pay my respects to elders past and present. We are very fortunate to live in a country with two of the oldest continuing cultures in Aboriginal and Torres Strait Islander people, whose lands, winds and waters we all share.

With me here today are Deb Frecklington, the member for Nanango, who is substituting for Laura Gerber, the member for Currumbin and deputy chair. On videoconference we have Sandy Bolton, the member for Noosa. Jason Hunt, the member for Caloundra, is not on videoconference yet but I am sure he will be back shortly. Present is Jon Krause, the member for Scenic Rim. Michael Berkman, the member for Maiwar, is also joining us for this part of the session.

The hearing is a proceeding of the Queensland parliament and is subject to the parliament's standing rules and orders. Only the committee and invited witnesses may participate in the proceedings. Witnesses are not required to give evidence under oath or affirmation, but I remind witnesses that intentionally misleading the committee is a serious offence. I also remind members of the public that they may be excluded from the hearing at the discretion of the committee.

These proceedings are being recorded and broadcast live on the parliament's website. Media may be present and are subject to the committee's media rules and the chair's direction at all times. You may be filmed or photographed during the proceedings and images may also appear on the website or social media pages. I ask you to please turn off your mobile phones or switch them to silent mode.

DEVINE, Ms Wendy, Principal Policy Solicitor, Queensland Law Society

McGREGOR-LOWNDES, Prof. Myles, Member, Not for Profit Law Committee, Queensland Law Society

THOMSON, Ms Kara, President, Queensland Law Society

CHAIR: Welcome. I invite you to make an opening statement before we go to questions.

Ms Thomson: I thank the chair and committee members for inviting the Queensland Law Society to appear this morning at the public hearing on the Casino Control and Other Legislation Amendment Bill 2022. In opening, I respectfully acknowledge the traditional owners and custodians of the land on which this meeting is taking place, Meanjin, Brisbane. I recognise the country north and south of the Brisbane River as the home of both the Turrbal and Jagera nations and pay deep respects to all elders past, present and future.

The Queensland Law Society is the peak professional body for the state's legal practitioners, over 13,000 of whom we represent, educate and support. We are an independent, apolitical representative body upon which government and parliament can rely to provide advice that promotes good evidence-based law and policy. From the outset, we note that the society's comments are limited to aspects of the bill relating to the proposed cross-border recognition scheme for charitable fundraising only.

The society welcomes the Queensland government's proposal to adopt a cross-border recognition scheme for charitable fundraising. These reforms will reduce the regulatory burden and complexity of fundraising in Queensland, and Australia more broadly. However, we have identified a number of issues associated with the proposed amendments to the Collections Act 1966 that require further clarification and consideration before the bill is passed. To address these concerns, the society and our members strongly recommend that the Queensland government conduct a complete review of fundraising legislation in Queensland and its harmonisation with other jurisdictions.

I am joined today by Myles McGregor-Lowndes, a member of the QLS Not for Profit Law Committee, and Wendy Devine, principal policy solicitor. Both are able to address your inquiries directly. If the chair permits, I will ask Myles to provide a brief overview of our key issues to conclude the opening statement.

Prof. McGregor-Lowndes: I am Emeritus Professor Myles McGregor-Lowndes of QUT and a member of the committee. The QLS does welcome the cross-border recognition scheme proposed in the bill, but we emphasise our repeated request for a complete review of fundraising legislation in Queensland and its harmonisation with other jurisdictions. The current bill is an excellent start to the reform process in Queensland; however, the proposed scheme only extends to charities registered with the Australian Charities and Not-for-profits Commission. As outlined in our submission, there are many other community organisations that are not-for-profits but do not qualify for charity status. These include community sporting bodies such as soccer clubs, service clubs, neighbourhood centres and interest associations that are not regarded as charities. Even though they are not-for-profit entities, they will not benefit from the returns in this bill because they are not charities.

There are also a number of practical issues that we have identified and queried, but I note in the department's response they have all been satisfactorily responded to. We look forward to working with the department and the Office of Fair Trading on the formulation of the regulations and particularly the regulations for the Associations Incorporation Act, which will need to dovetail in because the two do go together.

I would underline that, although it is not in the scope of this bill, the parliament and the department should really consider overhauling fundraising legislation. We are at a time now when the Queensland government has agreed to harmonise with the other states. However, it is time for not only harmonisation but also a complete redraft of the act. The act is showing its age because it is not in the appropriate modern drafting style, which usually people can understand readily without having to go to a lawyer. It would be great to have an act that was user-friendly.

It would also be great to have an act that took cognisance of the fact that we now have computers. Even the smallest organisations do not use impress cashbook carbon receipts. It has all changed. It would be a great service for the non-profit sector in Queensland to have all of that updated. It would also help the department. If you are trying to find a bit of carbon to make an impress cash receipt carbon copy and you cannot find any carbon paper in the newsagent, it tends to make you think that the rest of the act may not be worth complying with so you just give it away. It makes it very hard for the Office of Fair Trading to enforce and to nudge people into complying with a modern act. I really do beseech you to find a bit of time in the parliamentary calendar to do this bit of facilitation of non-profit enterprise in Queensland.

Mrs FRECKLINGTON: Myles, obviously you believe that it is a bit of a missed opportunity and that we could extend this bill to include not-for-profit clubs and bring them into line. Effectively, is that what you are saying and that this is a good opportunity to do it?

Prof. McGregor-Lowndes: Not probably in this bill, but a complete revamp of the whole Collections Act and to bring it all together to include non-profits. I think it would delay the act, which is omnibus and has a lot of other things in it. It would delay it too much now, but I really think it should be put on the agenda so that all those bodies can be cleaned up and dealt with appropriately.

Ms BOLTON: Can you give a tangible example of how not-for-profits are being impacted negatively by things not being updated to where they need to be?

Prof. McGregor-Lowndes: The charities lodge their returns with the ACNC, so it will be a one-stop shop and they can all come over and get a fundraising licence. We are not quite sure on the regulations because they are not yet promulgated, but there will be some dispensations for charities that non-profits will not have. We are not exactly sure what they will be, but there will be some differences. Every time you have a difference it makes it difficult for people on the ground to work out whether they are a charity or whether they are a non-profit and what provisions they are going to have to comply with. Our suggestion is that after this is passed, because it is time sensitive to align it with the returns for lodging with the ACNC, you have a look at the whole act and make sure that non-profits are dealt with basically in the same way as charities will be under the new regulations, which I believe are going to come out in August.

Mr KRAUSE: My question is about your submission about the scope of the term 'religious denomination' and the practice of giving it a wide meaning. You recommend that the wide meaning continue or actually be enacted in relation to that definition of an excluded entity. If that did not occur, what would be the negative result that you are aiming to prevent?

Prof. McGregor-Lowndes: It appears to me and other practitioners that it has long been the practice for religious denominations to include the agencies which religious denominations have—Centacare, St Vincent de Paul, UnitingCare et cetera. Although now they are separately incorporated and registered as a charity separate from the denomination, the department takes a wide view and says that they are all included in the exemption. So they do not have to register for the fundraising act and are exempted from all parts of the act except for one bit.

Mr KRAUSE: So that is how it relates back to the definition of 'excluded'?

Prof. McGregor-Lowndes: Yes. If they did not take the charities which are separately incorporated in denomination, they would be required to register and to comply with the rest of the act, which they do not at the moment. That would cause enormous paperwork for them.

Mr KRAUSE: Understood.

Prof. McGregor-Lowndes: As a policy issue, parliament and the department would probably like to rethink exempting all religious agencies from the provisions of the fundraising act. Initially, putting money in the plate at church was not regarded as public fundraising—there are clear reasons for that—but St Vincents, UnitingCare and Centacare are all major fundraising organisations out there in the consumer marketplace. It may be time, as a policy, to rethink whether they should be subject to some streamlined and modern fundraising regulation. It has been my view that most of them already adhere to it, even if they do not have to by law.

Ms BUSH: Coming back to the member for Nanango's question around looking at a broader overhaul, is it just the Collections Act that primarily impacts on the statutory framework for fundraising for charities in Queensland or are there a number of other acts that strike you as also lending themselves to that overview?

Prof. McGregor-Lowndes: It is mainly the Collections Act, the non-profit gaming act, the Associations Incorporation Act and the Fair Trading Act. It is my view that the best way to perhaps deal with this is under consumer legislation, and that is national—Office of Fair Trading and the ACCC. They have all the powers of undertaking. It is all there in a national scheme. It would make sense to roll specific things into a national consumer regime.

We talk about donations as being high-end discretionary spend. The marketing ploys are the same and the marketing scams and frauds are sort of the same. It would also give you reach into internet and cyber fundraising, which is where the real mischief is occurring these days—apart from face-to-face street fundraising, which causes people a bit of grief from time to time. Those are the acts. I would think that if you look at the Collections Act you will be able to wind it back considerably and rely more on the commonly accepted consumer affairs powers.

Mr BERKMAN: Thanks for being here. I respect that you have confined your comments to certain aspects of the bill. Does the society have any comment you can offer particularly around the casino integrity components of the bill? Are those proposals that you support?

Prof. McGregor-Lowndes: No, we have no comment to make on those. We have not considered them. This comes as an initiative of the not-for-profit committee. We are really interested in fundraising—we have been for decades—to get some reform through. No, we are not interested—not that we are not interested; the committee just has not addressed it.

Mr BERKMAN: The act creates new obligations on four types of parties, predominantly casino licensees and associated entities. One such licensee has suggested that the proposal in the bill for a new obligation to do 'everything necessary' to ensure fair and honest management of casinos should be effectively watered down so that it requires that they do 'everything reasonably necessary' to ensure certain outcomes. As a general proposition, would that change effectively make enforcement of that obligation substantially more difficult for the department and give more latitude to the licensees?

Ms Thomson: Our comments are solely confined to the charities issues. We are happy to take that on notice and give some consideration to that, but we would have to consult with some committees before we would be able to provide a proper response to you.

Mr BERKMAN: It was worth a shot, Chair. If you are happy to take it on notice, we would appreciate the society's views.

Mrs FRECKLINGTON: I was quite surprised that the QLS did not submit anything on casino integrity, given the public nature of it and the legal issues that are being well ventilated in the media. Was the decision to not put anything in to the committee following on from a discussion with the minister directly? Was there a reason the QLS decided not to talk about integrity in relation to casinos in Queensland?

CHAIR: Before you answer that question, am I correct in assuming that any conversations with the minister would be confidential?

Ms Thomson: Correct.

CHAIR: Are you able to answer the second part of the question—I am sure the member for Nanango will pull me up if I get it wrong—about the Law Society's decision not to—

Mrs FRECKLINGTON: My question, Ms Thomson, just goes to why not—and, I suppose, did that follow from the meeting that you had with the minister? I appreciate that your conversations with the minister would be confidential.

Ms Thomson: I am happy to say that there was no formal decision as such from a strategic point of view not to comment on it. Our members expressed no particular interest in putting forward a response in respect of that aspect of the bill. That is why one has not been provided at this time. Wendy, is there anything further you can add to that?

Ms Devine: All I can add is that we have a policy committee within QLS that works very closely with charities and not-for-profits. We are here commenting on the other part of this bill. We have no members who expressed any interest in commenting on the casino aspects of the bill.

CHAIR: That brings this part of the hearing to a conclusion. I thank representatives from the Law Society for attending today and for their written submissions. In relation to the question from Mr Berkman taken on notice, could the society provide a response by close of business on 20 July so it can be included in our deliberations? If there is difficulty with the time line, could you please communicate directly with the secretariat? Thank you.

NIPPERESS, Mr Daniel, General Manager, Clubs Queensland

CHAIR: Welcome. I invite you to make an opening statement before questions from the committee.

Mr Nipperess: Clubs Queensland thanks the Queensland government for the opportunity to provide feedback on the Casino Control and Other Legislation Amendment Bill. I, too, would like to acknowledge the traditional custodians of the land on which we meet, the Turrbal and Jagera people, and pay our respects to their elders past, present and emerging.

Clubs Queensland is the peak industry association and union of employees for registered and licensed clubs throughout the state. We engage in a range of professional activities such as the provision of policy advice, operational assistance and representation on all industry matters to government. Clubs Queensland represents the interests of 815 registered and licensed clubs across Queensland including sporting clubs, surf lifesaving supporter clubs, RSLs and services clubs and other general interest and cultural clubs. The large majority of our members hold gaming machine licences and liquor licences under the relevant state legislation.

Clubs Queensland provided a written submission in relation to the bill on 22 June indicating that it was generally supportive of the bill, however, as had been highlighted in past submissions, was not supportive of the bill in terms of the way it frames the enabling of a regulation-making power which prescribes harm minimisation measures to be implemented by licensees.

In relation to the amendments to the various gambling legislation, Clubs Queensland is generally supportive of those amendments insofar as they create a head of power to allow the later approval of such technologies and payment methods in terms of their cashless capabilities; however, such approvals must be done in consultation with the peak industry bodies and associated harm minimisation principles for such technology to be developed in consultation with industry through the working party that has been established to implement the harm minimisation plan for Queensland and, in accordance with the regulatory framework of the strategic pillar of that plan, must be proportionate, risk based and led by agreed evidence.

In relation to the amendments to the gambling acts to provide a regulation-making power to prescribe harm minimisation measures which must be implemented, Clubs Queensland is not supportive of these amendments in their present form. Consistent with Clubs Queensland's past submission in relation to this issue, we are of the view that such amendment does not support the approach taken to harm minimisation which is set out in the harm minimisation plan for Queensland. We are also of the view that there already exist sufficient powers to implement harm minimisation measures under the existing legislation in a timely manner, which also aligns with the plan.

The strategic pillars of the harm minimisation plan for Queensland also provide comprehensive review of the responsible gambling code of practice, which itself provides an existing harm minimisation framework which aligns with the plan. It should also be noted that there is already a review underway in relation to the self-regulatory measure to support harm minimisation across licensees in Queensland.

To reiterate our position, Clubs Queensland is of the view that the proposed amendments to provide a regulation-making power to prescribe harm minimisation to licensees do not foster the collaborative approach to harm minimisation, especially since industry is underway in terms of funding, building and now trialling a multivenue self-exclusion framework and system which will greatly enhance a licensee's ability to monitor excluded patrons, and are inconsistent with the plan, which recognises that any approach to harm minimisation must be proportionate, risk based and evidence led. It is also not required, as there already exist sufficient mechanisms under the legislation to make regulations about a particular harm minimisation measure and there also exists a robust mechanism to facilitate self-regulatory measures to support harm minimisation. Thank you very much, committee. I now invite any questions you have in relation to the submission.

Mr KRAUSE: I note in your submission the very strong suggestion about not supporting the insertion of a regulation for harm minimisation. To your knowledge, has there been any consultation with either Clubs Queensland or other industry participants about what those regulations might look like?

Mr Nipperess: We acknowledge that we were consulted by the Office of Liquor and Gaming Regulation and the Office of Regulatory Policy in relation to the proposal. In terms of the provisions of the regulation, no, there has not been any express regulation that has been put forward. That was one of the concerns that was raised by us and the industry broadly when we were initially consulted by OLGR and ORP in relation to this.

Mr KRAUSE: So they are proposing to give the government a power to regulate but you have no idea what it might look like at this point?

Mr Nipperess: In a way, yes.

Mr KRAUSE: How would you respond to people out there in the community who will say that self-regulation has completely failed to protect people who have issues with gambling?

Mr Nipperess: I would say that the responsible gambling code of practice has now been around for going on two decades. There are a significant number of provisions contained in the responsible gambling code of practice which over time have proven very successful in terms of harm minimisation measures. It is also worth noting that once that framework has been put in place the government has, on many occasions, taken to legislate in relation to some of those things. A good example of that is the self-exclusion provisions that we see across the gambling legislation. Something like that was inserted into the Gaming Machine Act after initially being in the responsible gambling code of practice. When it is taken in that way and when you look at other provisions that sit within that, that is something that the industry sees as quite strong in terms of the protection it provides to those in the community.

It is not that Clubs Queensland is opposed to harm minimisation measures—we support practical and evidence based harm minimisation measures such as those that exist in the current framework. Our submission is that, given the way it has been framed, we need to ensure that is done in accordance with the harm minimisation plan for Queensland and, specific to our submission, is led by agreed evidence and is also proportionate to risk.

Mr KRAUSE: Do you think that if this regulation power is put in place it will impair the ability of the industry to regulate itself?

Mr Nipperess: It is difficult to comment on that, which, as you flagged earlier—

Mr KRAUSE: Because it sounds as though you have been leading the way.

Mr Nipperess: In a way we have undertaken some proactive steps. One of those things is probably going to be the most useful mechanism we have seen in terms of harm minimisation—that is, the multivenue self-exclusion framework. Something like that has been discussed by the government for some time. There are a number of reasons, which I will not go into, that that could not be implemented. Certainly this is a proactive measure that industry is taking to be able to support multivenue self-exclusion. As I said, that is in a trial phase now.

Ms BOLTON: My question is with regard to harm minimisation. You have outlined that you believe that what is currently in place plus the self-exclusion framework that the industry is working on will be sufficient. However, the changes, which include bringing in virtual racing and cashless gaming, bring in a new realm that has not been part of our past. How can we say that what is currently being utilised will be sufficient?

Mr Nipperess: I think the question is best answered by what the power that does exist under the existing framework still allows the Queensland government to do. You correctly point out that gaming systems are moving to a stage now where there is going to be technological advancement to facilitate cashless gaming. Certainly that is a head of power that has now been put into this legislation. There already exists sufficient regulation-making power that sits within the Gaming Machine Act in Queensland which gives broad power to the minister to prescribe regulation for the good conduct of gaming. You have that head of power that exists under the Gaming Machine Act. You also have the ability for the conditioning of certain technologies and equipment. What we are saying is that there are frameworks that already exist under the legislation which will be able to provide that power, appropriately as it has done in the past, to ensure that those sorts of systems do come in and do so with appropriate safeguards built around them.

Ms BOLTON: From my understanding, currently if someone wins a jackpot there is a lag in the payment which acts as a bit of a safeguard. We have heard at a previous hearing that it could be two or three days. With a cashless transaction, how would the harm minimisation work because there is not a buffer? In real terms, what would be brought in?

Mr Nipperess: That question is probably best answered by differentiating between the cashless payment methods and the facilitation of winnings. They are two separate things. The changes to the legislation insofar as cashless gaming is concerned relate to the payment methods. What you are referring to is the obligation in terms of the licensee to hold over any form of payment of winnings to a particular patron who may have won a jackpot. As it previously rested under the legislation, that was done via cheque payment and, to your point, it was held over until the next business day or the next trading day, if my memory serves me correctly.

There have been recent amendments to the legislation to facilitate the EFT payment of winnings. That was one of the issues that was flagged by industry and the Office of Liquor and Gaming Regulation. It follows that a similar framework exists now in terms of the EFT payment. It is not, in certain circumstances, able to be paid on that day but rather would be held over until the next day. That is something that exists and obviously is a harm minimisation measure.

Mr BERKMAN: I want to stick with the theme of the creation of the regulation-making head of power. With respect, your submission and your opening statement I would suggest do not explain how the creation of that regulation-making power is inconsistent with the gambling harm minimisation plan. You have asserted that both in your opening statement and in your submission. Can you explain how an as-yet-unused regulation-making power is inherently inconsistent with proportionate, risk based, evidence-led harm minimisation measures?

Mr Nipperess: I think it is best answered by looking at the strategic pillars in the harm minimisation plan for Queensland. The harm minimisation plan for Queensland does specifically reference that any technology and harm minimisation measures need to be risk based, proportionate and led by evidence. The difficulty with a power such as this, as it stands, goes to the point made earlier: we still do not have sufficient information in relation to what that might look like.

Mr BERKMAN: So it is not inherently in conflict with that?

CHAIR: No, Michael—

Mr BERKMAN: I am just trying to get to the nub of the question, Chair.

CHAIR: Do not interrupt me, for a start, and do not interrupt the witness. Let the witness finish his answer. If you have been watching what has been happening, I have been allowing members of the committee to ask follow-up questions, but have the courtesy to let the witness answer the question, please.

Mr BERKMAN: Apologies, Chair. I am sorry, Mr Nipperess.

Mr Nipperess: When you have a look at the strategic pillars, there are several instances in there where we feel that a broad harm minimisation power could be inconsistent with the relevant provisions of that plan. With the broad power that exists—and we still do not have the detail in relation to what that may look like—you can see that it would be inconsistent with many of those strategic pillars. Like we highlighted in submission and like I highlighted today, something that is important to Clubs Queensland—and indeed industry—is that it is backed by an evidence based approach. There are instances in other jurisdictions where we have seen the implementation of harm minimisation measures and those have been in some way backed by appropriate evidence. There does exist a lot of evidence out there from numerous institutions in relation to what are suitable mechanisms to support harm minimisation.

Mr BERKMAN: If I could ask a quick follow-up—and again I appreciate your indulgence. If I have understood what you have said properly, there is nothing inherent in the creation of the regulation-making power; it is really a question of what regulations are made under that head of power? That is where that inconsistency may come into play. It is not inherently inconsistent to create the head of power?

Mr Nipperess: There is the potential, but I think it also needs to be viewed in light of what the existing framework already provides and also the ability of the minister to provide that regulation-making power in addition to the conditioning of licences and technology that does exist under the Gaming Machine Act.

Mr BERKMAN: Just to put a really fine point on it to finish up, the consistency or otherwise of those regulations depends on regulations as made, not on the existence of the head of power to make them?

Mr Nipperess: Our view is that it has the potential to be inconsistent.

Mr BERKMAN: The potential is something that we cannot understand now so it is about the regulations as made, not about the head of power?

Mr Nipperess: We would say that it has the potential to be inconsistent with the plan.

Mr BERKMAN: That is pretty mealy-mouthed—

CHAIR: Excuse me! There is no need for that type of comment. Witnesses come here to give their evidence in the format they believe is appropriate. There are written submissions. The witness has given his evidence in a forthright manner. Withdraw that comment and apologise to the witness.

Mr BERKMAN: I withdraw, Chair. My apologies.

CHAIR: I am conscious of time. With your indulgence, can we go just a little longer?

Mr Nipperess: Of course.

Ms BUSH: Your submission goes to points we are talking about today around harm minimisation and the current model. Obviously your submission is that self-regulation is working in accordance with the broader plan. I am interested in the evidence that you look at and where you draw your views from. What is the evidence backing your views?

Mr Nipperess: I will draw on a couple of examples. The self-exclusion provision, for example, would be widely acknowledged in industry as a very useful tool in terms of minimising harm associated with gambling. The harm minimisation approach with self-exclusion goes so far. Like I said, it was initially brought up in the responsible gambling code of practice and later legislated. We have feedback from gambling help services in relation to the effective use of that particular harm minimisation measure. Recently there have been further amendments to self-exclusion to create remote self-exclusion so that patrons may now exclude without having to physically go to the venue. I think in part that question is answered by the feedback that we get from the gambling help services—at least in relation to self-exclusion.

Obviously with industry's technology and investment in this as well, that is going to be built further to create the ability for potentially someone to self-exclude from more than one venue. That is also going to be built into other related technology that exists in venues to ensure compliance with that particular framework.

CHAIR: Thank you for your attendance and thank you for your written submission.

HOGAN, Mr Bernie, Chief Executive, Queensland Hotels Association

STEELE, Mr Damian, Industry Engagement Manager, Queensland Hotels Association

CHAIR: Welcome. I invite you to make an opening statement before the committee has questions for you.

Mr Hogan: Good morning, committee members. Thank you for this opportunity to provide input into the committee's consideration of the Casino Control and Other Legislation Amendment Bill 2022. QHA, as you would probably know, is the peak representative body for the hotel, hospitality and accommodation industry in our state. Our member hotels and accommodation businesses span the length and breadth of the state in virtually every town and locality, providing jobs, entertainment and hospitality to Queenslanders and visitors alike. Our members include over 1,000 companies such as the traditional pub you have in your mind right now but also international accommodation providers and family owned businesses large and small.

The QHA would make the following comments on the aspects of the bill that are relevant to our industry and our members. Regarding casino integrity regulations, the bill includes amendments amidst allegations of money laundering and criminal infiltration into casinos. The four casinos in Queensland are members of the QHA. The QHA urges caution and that regulators ensure they are sufficiently educated and that substantiated evidence is relied upon as opposed to allegations, as you said, that are well populated in the media when we are considering these trading environments.

I would also like to highlight the incredible difference between casinos and the hotel and club trading environments, particularly compared to other jurisdictions. In Queensland it is quite starkly different when you consider that New South Wales has a $10,000 light-up limit—that is the maximum amount you can insert into a machine—while in Queensland it is only $199.99. In New South Wales there is a $10 maximum bet whilst in Queensland it is only $5. We already have a nation-leading system in Queensland. Queensland fears there is a propensity for regulatory creep across borders and industry sectors that is not necessarily evidence based.

Regarding cashless gambling, the QHA supports this amendment, which would enable that response to emerging technologies and cashless payment methods for gambling, subject to appropriate consultation with industry. Again, the QHA supports the New Year's Eve gaming hours, providing an automatic extension of approved hours for gaming on New Year's Eve until 2 am which aligns with the existing approval for liquor trading hours. Regarding the framework for wagering on simulated events, the QHA supports the authority to conduct wagering on simulated sport or racing events. This will allow Queensland to offer the same products that have already been on offer in New South Wales, Victoria and the ACT.

Regarding the amendment to provide a regulation-making power to prescribe harm minimisation measures, the QHA does not support this for the following reasons. There is sufficiency in the existing powers. The QHA suggests that there is currently a sufficient regulatory framework to support the introduction of harm minimisation measures in a timely manner. The Queensland government, through the responsible minister, has already successfully been able to introduce harm minimisation methods as required. These have included gaming self-regulation requirements, mandatory responsible service of gambling training, caps on gaming numbers and bans on gaming inducements. They have all been successfully implemented across the entire class of licensees in a timely manner.

Secondly, there is an existing ability to condition gaming licences. The Queensland government, through the minister, has this broad power to make regulation. These include particular harm minimisation measures such as management utilising supervision, operation and conduct of gaming. In addition, harm minimisation measures have been implemented via specific licence conditions. Gaming applications in recent times have had licence conditions imposed on them by the commission. These include hourly walk-throughs for a gaming room; maintaining the RSG log; operation of precommitment technology; no alcohol service after 10 pm; quarterly meetings with gambling health service providers—and remember that the number of gaming health service providers simply cannot keep up with those sorts of numbers and we are already asking them to do this; and the use of the facial recognition system to enforce patron bans. As the previous witness mentioned, this is an industry-led initiative and we believe it will make an extraordinary difference in Queensland.

Thirdly, due process requires consideration by cabinet and a RIS. The QHA submits that to provide transparency, accountability and confidentiality in the regulatory process the existing process should be followed for any regulation that is for an entire licence type applying industry wide. The established process provides appropriate consultation and a level of protection for industry from unintended consequences or disproportionate cost burdens. For example, a measure that may seem reasonable for a large venue located in South-East Queensland may be completely ineffective or

disproportionately costly for a small venue located in a regional or remote area. This proposed amendment has the potential to circumvent important protections and negatively impact confidence and investment in Queensland's hospitality industry. Thank you for the opportunity to appear here today.

Mrs FRECKLINGTON: Thank you both very much for attending here today and your very passionate submission. My question to you, Mr Hogan, is around regulation. I hear what you are saying about consultation. My question is: what consultation have you had with the government in relation to the proposed regulation?

Mr Hogan: The short answer is very little.

Mrs FRECKLINGTON: Have you seen a draft?

Mr Hogan: No. That is the short answer. No, we have not. We had one email on this saying, 'What do you think about this as a measure?' We responded and said that, no, we did not agree. Next, we found it was in the bill.

Mrs FRECKLINGTON: Just to be clear, you have not seen any proposed regulation that will impact your entire industry?

Mr Hogan: No.

Ms BOLTON: Mr Hogan, can you give me one tangible example of how the amendments in the bill do not align with Queensland's gambling harm minimisation plan?

Mr Hogan: I might hand over to Damian. He put his hand up for that one.

Mr Steele: It is more a question of circumventing the existing legislative process which enables industry to have input and feedback. Something that applies to every hotel and club business across Queensland in terms of a harm minimisation regulation that can be implemented without any consultation or without going through a process such as we are appreciating here today has the propensity to circumvent the consultation process and leads potentially to unintended consequences. The thing is, we do not know what such a proposal may look like. Does it mean that every venue has to have a camera and facial recognition system on each and every machine? That is the sort of thing we need to have appropriate consultation and consideration on through the legislative process, not through the stroke of a pen via regulation.

Ms BOLTON: With regard to membership of the Hotels Association, how many of your members would have smoking in their premium gaming rooms?

Mr Hogan: Absolutely none. Zero.

Mr Steele: We are under the Gaming Machine Act. Unlike the Casino Control Act—I think in casinos you can smoke in premium rooms—clubs and hotels in Queensland are totally smoke-free environments with the exception of the ability to have a designated outdoor smoking area.

Mr BERKMAN: I will try and cut this a little shorter. You heard the line of questioning to the previous witness. Can you accept as a pretty basic proposition that the consistency or otherwise of a newly made regulation with the Gambling harm minimisation plan for Queensland can only be determined on seeing the regulation itself?

Mr Steele: In terms of the substance of what that may mean operationally to a venue?

Mr BERKMAN: Yes.

Mr Steele: Yes, that is our exact point. Having that broad power without the ability to have appropriate consultation—a regulatory process through legislation and appropriate consultation—is the concern. We support in principle harm minimisation. That is very well established in our businesses.

Mr Hogan: The risk is that by the time we say, 'Yes, you can do it,' it is too late. This will not be repealed for 40 years, so it is an enormous risk for us to sit here and say, 'You're allowed to do this,' when you can already achieve the same outcome but with open transparency. That is what we are saying. It is kind of a solution looking for a problem. We do not have the problem. We actually can do it already.

Mr BERKMAN: Based on your previous answer, it sounds like consultation around this current process has been next to nothing. You provided one response to an email. Whether or not there will be a greater degree of consultation around regulation I guess remains to be seen. Has the Queensland Hotels Association ever made the case for stricter regulation of gambling and gaming, particular through AGMs, in Queensland?

Mr Hogan: All of those I mentioned before were done in consultation with QHA, Clubs Queensland and the government. When we can sit and go, 'There's an issue that we need to work on as a group, as an industry and the government together,' absolutely we work through and we make

that decision. It usually goes through a process with the Responsible Gambling Advisory Committee and regular consultation we have with the OLGR. Over a long period of time the QHA has definitely sat around and said, 'These are the things we have to do to move the industry forward in association with the government and community.' I think it is well established over the whole time that gaming machines have been allowed in Queensland.

Mr Steele: As an indicator of that commitment—and it has been mentioned by the previous witness—we are in the process of proactively replacing our existing flawed, paper based self-exclusion system with an industry-built—at industry's expense—multivenue self-exclusion system, which means that anyone who is excluded will go into a central database and with facial recognition they will be flagged when they try to enter a venue. As an industry we have been talking with government—and this was on the table from the RGAC since 2017—about a review of the Queensland exclusions regime. We have proactively as an industry, at our cost, made this happen. As has been mentioned, we are in the trial stage at the moment. I think this is a tremendous step forward in protecting those vulnerable people in our community. We want lifelong, sustainable customers. We 100 per cent support harm minimisation where it is effective.

Ms BUSH: What is the evidence that you look to that tells you that the status quo is working in terms of allowing hotels to self-regulate in the harm minimisation space?

Mr Steele: Queensland is a leading jurisdiction when you talk about our very low number of problem gamblers. We are roughly around half of one per cent of our Queensland population. Historically, we have been a leading jurisdiction in terms of the low prevalence of problem gambling. In terms of commitment, there is the Queensland Household Gambling Survey that the government does every couple of years. That finds that the commitment to voluntary aspects of the code of practice by industry is extremely high, and I am saying in excess of 90 per cent. Like all things in life, there is always a small minority of operators or people who do the wrong thing, but generally the commitment from industry has been measured and demonstrated to be extremely high. We want to strive for best practice, not lowest minimum standards.

Ms BUSH: The gambling harm minimisation plan that I have looked at kicked in around 2021. What was in place prior to that? I anticipate there was a plan prior to that also?

Mr Steele: The Queensland responsible gambling practice has been mentioned. We have worked collaboratively through the Responsible Gambling Advisory Committee, which is that tripartite agreement with industry, community and government. Within that, issues are worked through in a collaborative manner as they are identified. Over many years that has been the process.

Ms BUSH: How would you say that process and that plan have been working or not working?

Mr Hogan: I think that process has been very effective. That is where we have had the move forward with those things we have poured in such as RSG training and the updates. The code of practice, like all things, is very different. That is why the plan came through in 2021. In 2019 we said, 'No, it needs to be updated to reflect changes in community expectations,' and quite literally where the industry was going. You will see that change, and that is where that harm minimisation plan came out of.

Ms BUSH: With the Responsible Gambling Advisory Committee you do not see an opportunity in this current bill to strengthen or codify any harm minimisation practices that currently exist?

Mr Hogan: We see it as too great a risk at the present time. It does not show the nuances in the state. The biggest risk we find with every regulation, whether it is in liquor or gaming, is that it sort of paints everybody exactly the same—as if they are 20 minutes from this building, they are homogeneous and everyone is the same. It does not take into account a small pub in a regional area that has five gaming machines. It is completely different from the casino, a large club with 300 machines or a pub in suburban Brisbane. You have to make sure these things reflect what is actually happening in all of those venues. Otherwise, it is incredibly unfair to one or the other.

Mr KRAUSE: Mr Hogan, there are lots of people employed in hotels who are members of the QHA, I imagine, but every employee needs an employer. There are a range of pub groups, big and small. You touched on this in your last answer—the potential for small venues, sole traders and family owned businesses to be impacted by one-size-fits-all regulation, but especially in relation to rural and regional Queensland. Is there anything you would like to add about the potential impact from a one-size-fits-all regulation?

Mr Hogan: One-size-fits-all regulation will always affect different hotels or different businesses. It does not matter what regulation we are talking about; it will treat them all differently—how they can respond. Even at the national level there are lines drawn over things like Austrac. We do not have to report to Austrac on anti money laundering until we have 16 gaming machines. It realises that for those

that have 10 gaming machines, that are probably remote, the risk is such that it is counterproductive for them to be reporting consistently. That is what we are talking about. That is true risk based regulation. Somebody actually looked at it and said, 'Well, you know what? Going for every single one, we are going to get 0.000001.' Somebody was smart enough to say, 'We are not going to legislate for the lowest common denominator. We are going to go and get the very best we can for the effort put in.'

Mr Steele: That principle is our entire point: if it is something that is going to apply to every single venue, every class of licensee, every hotel and club across the state, it is of significance and deserves to have appropriate consultation and to go through the process of allowing proper engagement.

CHAIR: I have a question on exclusion. A person says, 'I am having issues,' and can self-exclude, but is there a mechanism in relation to exclusion where a venue identifies someone who is obviously putting large amounts of money through?

Mr Hogan: Absolutely, there is.

CHAIR: How does that work?

Mr Hogan: There are several of them. Do you want to go through them?

Mr Steele: There are two types of exclusion. One is the one you identified, Mr Chair—a self-exclusion, where Damian puts his hand up and asks for help. The other that you are alluding to is called a venue directed exclusion, where if the venue sees signs and has enough evidence they can impose an exclusion on that person directed by the venue.

CHAIR: I am just going back into a previous life of mine where there were quite large amounts of money defrauded from different organisations and basically put through pokies. The numbers were quite staggering. What I could never get my head around was that this person had to be coming in on a regular basis. Everybody knows that you are not going to win, unfortunately. That might be too broad a statement, sorry; it is called gambling for a reason. I was never able to understand why an organisation could not identify a person who was obviously putting large amounts of money through.

Mr Hogan: As I said right at the beginning, in Queensland it is very difficult to do that when you can only load up $199 at a time. That is why those restrictions are there.

CHAIR: These people managed to do it.

Mr Hogan: Two things they may have done: they may not have been in Queensland—

CHAIR: They were definitely in Queensland.

Mrs FRECKLINGTON: It could have been before the regulation changed.

Mr Hogan: Yes, but you will also find that there are going to be, exactly as Damian said—and we are the first to admit—some operators who do not report suspicious activity. They are required to do so. I am not going to sit here and say that every operator is a choirboy. It just simply is not the case.

Mr Steele: I think there are two components there. One is those behavioural indicators of someone who may be gambling more than they can afford to, and staff are trained in that as part of the mandatory responsible service of gaming. They have a customer liaison officer whose sole job is to assist people who need help in terms of potential self-exclusion. I am not sure if this was your intent, Chair, but the other aspect is that money laundering side of things where, as part of the Austrac requirements, you have Know Your Customer requirements, to be able to identify people. There are new components within Austrac of understanding the source of wealth for some people. Damian the unemployed person, who is potentially putting tens of thousands of dollars through the machine, would flag a suspicious matter report based on that activity.

Mrs FRECKLINGTON: I have a follow-up question. I should have asked Clubs Queensland this as well. It goes back to consultation around the proposed regulation. It is deeply concerning. I am not trying to put words in your mouth, but is it correct to say from QHA's perspective that there is a certain degree of nervousness around what the regulation will entail given the lack of consultation with QHA on the proposed legislation and, further, the length of time that the legislation will be in place before amendment? Is that your biggest concern on behalf of your members given the different size of membership categories that you have?

Mr Hogan: Yes, that would be one of the largest issues we have. It is about futureproofing and some certainty in the industry. As with all rules, it is all great when everybody is friends. It happens in many states in Australia where a regulator is completely at odds with industry. We are now giving them the keys to be able to regulate everything off the map in Queensland. That concerns us. It will definitely hinder investment into the hospitality industry. If somebody cannot sit there and say, 'I know that my investment is safe for years to come,' that drives people out of the industry in Queensland and that is not what we are here for.

CHAIR: That concludes this session. Thank you for your attendance and thank you for your written submissions.

Proceedings suspended from 11.37 am to 11.50 am.

HUSBAND, Ms Alice, Lawyer, Justice Connect Not-for-Profit Law, Justice Connect

WOODWARD, Ms Sue, Chief Adviser, Justice Connect Not-for-Profit Law, Justice Connect (via videoconference)

CHAIR: Good morning. I invite you to make an opening statement before we go to questions.

Ms Woodward: Thank you very much for allowing me to appear via videoconference and for making time for us today. My name is Susan Woodward, Chief Adviser with the Not-for-Profit Law service at Justice Connect. I am here with my colleague Alice Husband, who is an experienced lawyer with the team and is based in Brisbane. We are from Justice Connect, a national charity with a proud 25-year history of helping those people and community organisations who would otherwise miss out on legal help. In Justice Connect's not-for-profit law program, we concentrate on providing free legal information, advice and training to not-for-profit community groups and social enterprises, most of whom are registered charities. We focus our legal service on helping small volunteer-run ones, many of whom would be in regional and remote communities across the state. We take over 1,700 inquiries every year, and that enables us to hear a whole range of common concerns. I would have to say that deciphering, let alone complying with, the complex and inconsistent fundraising laws is frustratingly a very common and longstanding bugbear.

I thought I would briefly summarise our position on the Collections Act part of the reforms in the overall bill because that is our niche area, as was the Queensland Law Society. Up-front I want to say that we support the proposed reforms to the Collections Act with the improvements that the Queensland Law Society have identified. I would like to acknowledge that your committee has been very well served to have heard from Emeritus Professor McGregor-Lowndes, who I can personally attest is a globally regarded expert in this field.

Overall, we support the reforms because they represent a step forward in reducing red tape for any charity that has a 'donate' button on their website, whether or not that charity is physically based in Queensland. However, we are very concerned that these reforms do not go far enough. Our main point is that until we have nationally consistent, clear and relevant principles for conducting fundraising activities, time and money will be wasted by charities and also the officials who are hamstrung by antiquated laws.

I want to give you a tangible example of the impact of the time wasted. One state peak life body estimated that complying with the seven different state fundraising regulations cost the equivalent of 25 to 30 rescue boats or 10,000 lifeguard hours per year. I think that is a really easy way to summarise the impact we are concerned about. I think it is also really important to remember that this red tape has to be deciphered by volunteers sitting at their laptop, usually after they have put their kids in bed. They have to fathom the Queensland Collections Act and regulations that predate man landing on the moon and predate the internet, and they do not even anticipate the acceleration of online fundraising that has occurred, as we all know, since face-to-face activities have not been possible during COVID. They were written prior to the Australian Consumer Law, and that is a law that we know protects donors. It already applies to donations. If you are misled, deceived or coerced, you have remedies under the Australian Consumer Law. It also predates the establishment of the specialist regulator, the national charity regulator, the Australian Charities and Not-for-profits Commission, the ACNC. The ACNC already registers charities and collects and shares information on their activities and finances. Importantly, its role is to help follow the money to make sure it is being used for charitable purposes. Remember, this is a volunteer, after the kids are in bed, who is just working out what the laws are in Queensland. They then have to think what applies in other jurisdictions, simply because they have a 'donate' button on their website.

To conclude, we would urge the committee, firstly, to enact the reforms which are there because we acknowledge that they are a step forward and, secondly, to recommend that further reforms be made to the Collections Act and regulations before the end of this year to replace the very detailed provisions, some of which were highlighted by the Law Society earlier, on how collections are conducted with a set of ethical fundraising principles such as those we have proposed. The principles will help futureproof the law as new fundraising methods are developed which we cannot even anticipate at the moment. These principles really must be negotiated with other jurisdictions to obtain harmonisation across borders so that we at Justice Connect can finally give that simple answer we want to give when a charity just wants to put a 'donate' button on their website. Thank you again for giving us time today. Alice and I are very happy to answer questions.

Mrs FRECKLINGTON: Thank you very much, Ms Woodward and Ms Husband, for addressing the committee today. It is very clear from your submission, Ms Woodward, that Justice Connect feels that this does not go far enough, particularly missing the opportunity in relation to harmonisation of

fundraising laws. I appreciate that and you have enunciated that very clearly. Which other jurisdiction do you believe is leading the way that we should encourage the Queensland government to follow, given that this is a missed opportunity in this bill?

Ms Woodward: That is a very good question. I have to mention that the Northern Territory have never had specialised fundraising laws, so there is a possible model there. The Australian Capital Territory currently provides that if you are a registered charity with the ACNC you do not have to do anything further at all. There are other models. In some ways that makes it so hard, because each state has implemented even the cross-border licensing recognition in a slightly different way, so you cannot just do one thing. Alice and I look at this regularly, and every time we look at it I have to update myself about exactly what happens in New South Wales, which is slightly different to Queensland. Alice is across the detail.

It is a step forward, but we can fix this problem if the states, who are already consulting with each other around a set of principles, agree on that step. We need a negotiated set of principles, and then every state needs to implement it ideally in the same way so that they effectively become the principles attached to your licence. If you read the principles which we put in our submission, I would hope that you would find them to be, as a donor, very straightforward—that it is what you would expect if you were donating money to a charity that you can rely on. Alice, was there anything you wanted to add?

Ms Husband: I would echo what you said about the set of principles being the best approach going forward, rather than emulating any particular set of regulations that are in existence now in a state or territory. We need to move beyond that and look to adopt something which is nationally consistent.

Ms BUSH: Is the Fix Fundraising campaign still a live campaign? If it is, would you mind giving us an update of where it is up to and what the next steps might look like?

Ms Woodward: It is very much still alive. It has been a very longstanding campaign, so at various points it is hard to keep up the energy. For people who are not aware, we are a coalition of bodies who have come together over a period of the last six years. On our website we have hundreds and hundreds of charities who have supported it, and we could call out again and get more people involved. It is a group of bodies who you might not necessarily associate with the charity sector. For example, there is the Institute of Company Directors, CPA Australia, Institute of Chartered Accountants, Philanthropy Australia, ACOSS, the Community Council of Australia, and the Public Fundraising Regulatory Association. They are bodies that are concerned about the waste and the red tape for the charity sector.

Yes, the campaign is still very much in operation. We meet regularly and we just keep pushing for that harmonisation. That is why we have come up with the model that we have which would preserve the powers for the states, even if they adopt these principles. If Queensland adopted our proposed principles, there would still be provisions in the Queensland act to investigate and enforce under state legislation that would not yet be turned off. If there was a concern with a charity doing something wrong, it would be possible to effectively send in investigators under the state laws and, if there was sufficient concern, to remove the deemed licence. There is still that residual power as well as achieving national harmonisation.

CHAIR: To pick up on what you said in your opening statement about the Northern Territory not having any regulation—and I know you did not suggest that that would perhaps be the ideal model—are you able to expand on what happens in the Northern Territory in relation to charities?

Ms Woodward: I think it is really important to understand that just because there is not a specialised, state based charities collections act it does not mean that there is not a lot of supervision and regulation—even more so, as I say, now that we have the ACNC, which had bipartisan support—it has been in existence for five-plus years—we have the Australian Consumer Law and there is guidance, really, as part of our push in the early days from the Fix Fundraising coalition. All of the states and the ACCC published guidance on charitable fundraising, so there is an express guidance note about when the Australian Consumer Law will apply and it makes it clear that you cannot harass people, mislead people about where the money is going or misrepresent who is collecting the money. It is not as though in the Northern Territory, without any specialised legislation, there would not be protections. Quite frankly, in some of the rare but unfortunate examples of where there has been concern, it has primarily been two pieces of legislation that will come into play, and that will be the Consumer Law, which was used in Victoria against a fake charity promoter, for example, about cancer, or it will be the criminal act, because people are obtaining money by false pretence and so forth. It is the criminal legislation. With those two pieces of legislation, combined with local by-laws about who can stand on

street corners and ask people for money, there is a lot of regulation there. This is not a sector that is asking for no regulation; it is quite the opposite. What we are asking for is what businesses have enjoyed for many years and that is nationally consistent, fit-for-purpose regulation that will support the incredible work that the sector does.

Mr KRAUSE: I do not have any questions, but I thank you very much, Ms Woodward and Ms Husband. Your submission is very good.

CHAIR: I asked the question about the Northern Territory and you also spoke about the Australian Capital Territory. Without putting words in your mouth, Sue, I guess the two Commonwealth pieces of legislation that you have mentioned would come into play in the Australian Capital Territory as well so that it is overarching; is that right?

Ms Woodward: Yes, that is absolutely right. The beauty of the Australian Consumer Law, which Professor Myles McGregor-Lowndes referred to, is that it has every single state and territory plus the Commonwealth, and it has an intergovernmental agreement which means there is a whole process for reviewing it, updating it and making necessary amendments. Therefore, it definitely has some advantages in terms of the principles if national consistency could be adopted as part of reforms to the Australian Consumer Law. But there is no point in doing that unless the state conflicting detailed provisions, such as he referred to about carbon paper, were stripped away.

To finish off this piece of work—and, as I say, it is a piece of work that we have been campaigning on for a very long time, and I would absolutely love to never have to raise it again—if we have a single point for registration and licensing, a single point for reporting and we can do that all through the Australian Charities and Not-for-profits Commission which securely shares data with each of the states and territories, that part is fixed. The part that we have not fixed is actually primarily where the bulk of the red tape is still, and that is all the things about how you raise the money, keeping carbon copies of receipts and so forth. Our argument is that if we go back to principles based, which is a modern regulatory approach, we can make sure donors are protected, there is suitable transparency, we can give the regulators and officials an appropriate modern toolkit, and we can make it simpler for charities so that people are not trying to wade through.

I looked up our guide on our website where we provide 300-plus free resources for running your charity, and we have to do a separate guide on fundraising for each state and territory, and the one on Queensland is 20 pages long. They have won international awards for writing plain-language legal materials, and the best way we can do it is to write it into 20 pages, and that is one state. If we could have one page of principles, which is what we have drafted, and if we could say to everyone who rang us or contacted us and we were doing training on, 'You have to be ethical in your fundraising and here is how you do that'; if it is supported by peak bodies that have regulatory codes, like the Fundraising Institute and others that can give them training and help, then we will not only improve the professionalism and the appropriateness of fundraising but also strip away hours and hours of red tape. I would be quite happy if we had 10,000 more hours of surf lifesaving just in one state alone. That is just one example. There are so many quotes on our website of people spending hours and hours trying to work it out. To be absolutely frank, it is almost impossible to comply with every one of the state laws because they are inconsistent.

CHAIR: Thank you. I close this part of the hearing. I now welcome Mr Tim Nicholls, member for Clayfield, who is substituting for Laura Gerber, the member for Currumbin and deputy chair.

HOGG, Mr Geoff, Interim Chief Executive Officer, Star Entertainment Group

CHAIR: Welcome. I invite you to make an opening statement before we start our questions.

Mr Hogg: Thank you, Chair and committee members, for the opportunity to appear before you today. My name is Geoff Hogg. I am the interim Chief Executive Officer for the Star Entertainment Group. Star is proud to be one of the largest employers in the Queensland hospitality and tourism industry, employing over 4,200 team members. We are also investing about $6 billion in major projects and developments in Brisbane and the Gold Coast, creating jobs and stimulating the local economy. This includes a $3.6 billion investment in Queen's Wharf Brisbane and over $2 billion in hotel and tourism developments on the Star Gold Coast.

It is important to note to the committee that the gaming component of Queen's Wharf will represent less than five per cent of the investment in this new vibrant precinct. In fact, Queen's Wharf alone will deliver thousands of direct and indirect jobs, more than seven hectares of public space, more than 50 restaurants, bars and cafes, restoration of nine heritage buildings, $10 million in public art, an iconic sky deck sitting over the Brisbane River, and a pedestrian bridge to South Bank. On the Gold Coast, a new five-star hotel and residence tower is currently under construction, joining the Dorsett Gold Coast Hotel and Star Residences tower which commenced operating in December 2021.

As the committee would be aware, the Star Entertainment Group holds two casino licences in Queensland—one for the Treasury Brisbane and another on the Star Gold Coast. It is worth noting that there are also licences in Queensland operating casinos in Townsville and Cairns.

It is also acknowledged that Star operates under different regulatory environments in Queensland and New South Wales. Here in Queensland we have onsite inspectorates from the regulator, OLGR, and onsite police officers in our casinos in Brisbane and Gold Coast. We have been engaged proactively with Queensland police and law enforcement agencies regarding the Star's reforms to improve safeguards and surveillance activities. We are also running a series of joint exercises with the police to test and further tighten law enforcement activities on site, particularly in the lead-up to the opening of Queen's Wharf. The Star has had a longstanding commitment to responsible gaming and prevention of gaming related harm. We are committed to working with the OLGR and key stakeholders to help deliver the gambling harm minimisation plan.

As the committee would be aware, the Star has made a written submission to the inquiry. The Star is supportive of the Queensland government's efforts in this bill to modernise the Casino Control Act. The feedback the Star has provided relates to minor drafting amendments. We are overwhelmingly supportive of the bill's intent to continue to increase safeguards and integrity provisions across all Queensland casino operations.

Some of the minor drafting feedback provided to the bill includes: that amended section 30(2) provide a procedural right of reply for a casino entity to make submissions to the minister prior to the adoption of other interstate inquiry or review findings; that for amended section 31(3) and (4) a show cause notice be given to casino operators prior to the issuing of a censure letter for procedural fairness; that in regard to the amendment to sections 31(2) to (13) further consideration could be given by the committee to the impact of this section in shielding government decisions from being externally reviewed or appealed.

In addition to the provisions in the bill, the Star would welcome the opportunity to engage with the committee and the OLGR to discuss opportunities for further reform to Queensland's casino laws in such areas as patron exclusions. Thank you again, Mr Chair, for the opportunity to address the committee today. I would be happy to take further questions from the committee.

Mr NICHOLLS: Good morning, Mr Hogg. Prior to the tabling of the bill, did Star, any of its representatives or anyone acting on its behalf have communications with the minister, the minister's office or the department in relation to the contents of the bill?

Mr Hogg: Yes. We had notification that there were considerations, I suppose, of key themes and messages around it for which we were able to respond. At that stage we had not seen the bill itself or its drafting, but we had given feedback and support to most of the changes.

Mr NICHOLLS: Can you elaborate a little further in relation to what you were told before the bill was tabled, during the drafting phase?

Mr Hogg: We talked about modernisation of the legislation, looking at changes that occurred in other states and considered bringing it into Queensland as well. Like I said, it was not the drafting of the bill but certainly the principles of what was proposed.

Mr NICHOLLS: Was that directly with Star and its executives, or was it through lawyers or other representatives?

Mr Hogg: Through the Star. I think all casino operators would have got similar correspondence to respond to.

Mr NICHOLLS: I understand. Was there any discussion in relation to the penalty regime proposed in the legislation, noting that Victoria and Western Australia both have $100 million penalties for breaches whereas Queensland is only proposing $50 million and that Crown in Victoria have received a penalty notice for $80 million for breach of their China UnionPay arrangements, which are somewhat similar to the Star arrangements in New South Wales, and also are now facing another $100 million penalty in respect of breaches of responsible gambling obligations in Victoria?

Mr Hogg: Certainly from our perspective we did not make any comments on the actual amount of the fines that were proposed. We said that we understood them and supported the change, but we did not have any specific comments. I would highlight that obviously the size of fines sometimes takes into consideration how many operators there are, their businesses et cetera. Certainly from our perspective we did not make any comments.

Mr NICHOLLS: Would you have any difficulties with a $100 million penalty?

Mr Hogg: We have made no comments on it so far. We would highlight that we obviously operate two casinos and potentially therefore could end up with multiple fines, not single fines. Ultimately, I guess we have no fixed views on the fines.

Mr NICHOLLS: One of the matters that have arisen out of both the inquiries in Victoria and New South Wales has been recommendations for the establishment of an independent casino authority. The one in Victoria has only started in the last few days and the one proposed for New South Wales is currently underway in terms of implementation. Would you support an independent casino gaming authority to exercise control not only over Star but obviously the other casinos in Queensland, Star being the dominant casino?

Mr Hogg: Obviously it is more of a discussion for the committee and the government to make reforms on that. We were supportive of the changes they proposed in New South Wales. Ultimately as an operator our focus has to be on ensuring we deliver and fulfil all of the requirements of the act and be a good operator in the state we are. The regulatory environment obviously is framed around that, but ultimately, like I said, our focus is on ensuring our compliance and meeting all the requirements of the act. Ultimately, it is for the committee and the government to consider the framework we work under. We would work effectively under any format that is agreed by the government. I would note that we did support the changes in New South Wales.

Mr NICHOLLS: At the moment the minister effectively, or the Governor in Council, has most of the power in relation to the issuing of licences, the cancelling of licences and the issuing of fines, whereas in New South Wales and Victoria it is now proposed to remove that to an independent authority with independent commissioners. Is that your understanding of the proposal for New South Wales and Victoria?

Mr Hogg: Yes, that is our understanding.

Mr NICHOLLS: That would then obviate the need for representations to government, other than on broad policy issues regarding gaming in Queensland, if there were an independent casino authority?

Mr Hogg: If that was changed. Again, I would highlight that from our perspective as an operator you can work in both of those environments very effectively. You focus on what you need to be able to deliver as an operator, but both environments can work. Again, I would highlight that it is more of a consideration for the committee and the government.

Mr NICHOLLS: Thank you. Has Star been breached at any time in the last five years for any breaches of the Casino Control Act in Queensland?

Mr Hogg: There have certainly been a number of minor situations we have had, whether it is an exclusion or a staff error on tables et cetera. There will be a number of minor breaches.

Mr NICHOLLS: Has a penalty been imposed on Star in respect of that out of penalty units or a fine, or has it been something that has been managed with the OLGR in terms of taking remedial steps?

Mr Hogg: We have obviously focused on the remediation steps that we can do whenever we have any breaches or anything that occurs. That has been the focus for us. I am not aware of any fines.

Mr NICHOLLS: So you have not been prosecuted and you have not paid any fines in the last five years in relation to breaches?

Mr Hogg: Not that I can recall.

Mr NICHOLLS: How are breaches notified at the moment to you?

Mr Hogg: In most cases it is actually us informing the regulator if we find something. Then they go through and investigate off the back of that.

Mr NICHOLLS: One of the amendments in this bill is in relation to self-notification. You do that already without the incentive of having legislation requiring you to do that?

Mr Hogg: We were supportive of the change, because a policy and a position of ours is to proactively report to the regulator and be on the front on all of those situations. In some cases we have notified the regulator of things that end up not being substantiated breaches, but we take an approach to really be transparent. With regard to the legislation change itself, like I said, it is consistent with what we do so we were supportive.

Mr NICHOLLS: Are OLGR officers still currently embedded into your casinos?

Mr Hogg: Yes. We have onsite inspectorates at both properties on the Gold Coast and Brisbane and also onsite police.

Mr NICHOLLS: What do those inspectors do, other than not breach you for fines?

Mr Hogg: They have full access to the properties. They have all of our surveillance systems. They get to monitor what we are doing and obviously read any notifications that we go through. They are on site and working in conjunction with the operations but obviously doing their reviews and audits.

Mr NICHOLLS: What does that involve?

Mr Hogg: I could not tell you what they spend all the moments of their day on. Obviously they have full access to surveillance and they can monitor what we are doing. They do audits at different stages on different components, certainly from our tax payments right through to our dealer training and making sure everything is completed. They have a wide range of scope that they can do today.

Mr NICHOLLS: Are you confident that the activities and the concerns that have been raised in the Bell inquiry in New South Wales have not occurred in Queensland?

Mr Hogg: We have a group that overarches some of our procedures that look at all jurisdictions we operate in, which is New South Wales and Queensland, and therefore there have been some things of concern in New South Wales that would apply in Queensland and there are some things that have occurred that may not have here because of the different environment. It would be fair to say that there are obviously areas like anti money laundering et cetera. We have been focusing on improving our policies now over the past three or four years, once we realised there were some gaps in what we have done, that would apply in both areas. We committed to fixing those and addressing those, which we have done over the past four years.

Mr NICHOLLS: In those circumstances then, you are confident that there have not been those similar breaches, or you are not confident that there are those similar activities going on?

Mr Hogg: There are similar activities to those areas that are managed. Obviously we will have an opportunity to discuss those more in detail through the review that is about to occur. There are obviously some areas—like our anti-money-laundering policies and procedures are consistent at all three properties. Therefore, those improvements that needed to be made also needed to be made here in Queensland.

Ms BOLTON: We heard earlier from the Queensland Hotels Association regarding harm minimisation and venue directed exclusions. Given this bill has a cashless component, can you explain what Star is going to do in regard to somebody utilising a card with which to gamble and not having to walk up and obtain the funds from a staff member? How would you identify those people where you would need a venue directed exclusion?

Mr Hogg: Just to clarify, when some people hear 'cashless' they think there would be no cash within the operations. Cashless is an alternative to people using cash. A lot of people today, as you know, do not have a lot of cash on them. A lot of people when they come to the properties, because most of the transactions are cash based, would have either brought cash to the property or have gone to an ATM outside the casino to get their cash to come in. Cashless creates an electronic purchase mechanism for them to be able to purchase funds to then buy some chips or work through. From a simple perspective, cashless is bringing in a more modern alternative to cash handling. It is actually very positive from, say, an anti-money-laundering perspective. The cash component could be really positive.

On the other side of it, you want to make sure when you are doing those reforms that it does not restrict our ability to assist those who may be at risk of harm from gaming and therefore look at mechanisms that actually can assist them. For us as an operator, we have members who are part of our loyalty program. That allows us to be able to monitor their play and see if there are spikes in their play or they are changing their behaviour, which would trigger a conversation with our team to

understand if they may have issues with their gaming. When you move to cashless, there is the opportunity also it may bring in mechanisms for which you can assess people's play. They might be able to set limits et cetera.

I would highlight that a lot of that is available today already, whether cashless comes on or not. The key I would highlight is that the last thing you want to do is to change legislation and restrict the ability to implement harm minimisation measures in the future. My understanding of what is proposed here is that it allows the creation of alternative methods like cashless to be able to do the purchase but does not restrict your ability to bring in harm minimisation measures. I think that is the key part of the legislation. Certainly from our perspective, there are a number of tools we use today to identify people who may be at risk. This would not appear to restrict it and certainly could potentially introduce new initiatives in the future that would help us identify people who may be at risk of harm.

Ms BOLTON: Star is supportive of the amendments to the gaming acts?

Mr Hogg: Yes, we are supportive.

Mr BERKMAN: I wanted to ask a question about the duty to cooperate as you have addressed it in your submission, specifically the second limb of that duty. Am I right to assume that Star would consider it already meets the duty as proposed in the bill?

Mr Hogg: We are focused on ensuring from an integrity perspective that gaming is managed very effectively. That is our focus. In what was put forward we referenced the word 'reasonable' with regard to a change that may be considered. I do want to clarify what that means. From our perspective, we saw the original drafting as a bit black and white with regard to what the options would be. I will use one example. Gaming on a table game involves a lot of interactions with a dealer and a human element at the table. We train our dealers and we focus on making sure they know the right procedures, but there are some elements of human error that can happen that can impact on the integrity of the gaming. We manage that effectively.

We also have the situation where guests can try to be fraudulent on a table or try to cheat. It is obviously in our best interests, as well as the state's, for us to be able to stop that. Obviously we do not want to be in a situation where you would do everything possible to stop it. That could actually mean to the point that you stop having dealers on a table and remove the human element, or you get to the point where you do not conduct gaming because you want to ensure there is no fraudulent activity. We just wanted to make sure there was a reference to the word 'reasonable' to say that we will do everything possible as long as it is not to that point where you actually say you do not conduct the game or you no longer have dealers on a table game and you only have electronic tables. We would think that is not the intent. The intent is on us as an operator doing everything within our control to do the right things in terms of fairness, honesty and integrity of gaming without getting to that point that you actually do not have the gaming.

Mr BERKMAN: I would not disagree that that does not appear to be the intent. By proposing as you have that that absolute obligation be kind of watered down, with respect, to a qualified obligation, do you accept that that will simply make the job of the regulator more difficult and in fact just leave Star or any other licensee in a better position to argue the toss in respect of any conduct that might be considered unfair or dishonest?

Mr Hogg: Certainly the word 'reasonable' is used throughout the act in a number of areas. We were just focusing on how it has been drafted previously. Like I said, it is over to the committee and the government to consider. We just wanted to make sure that the absolute did not mean that you stopped the conduct of gaming. If it is worded in a way which ensures we can continue to operate, we have no concern. It is not about watering it down. We want the highest standards of integrity. We want to do everything possible while continuing to have that option to have the conduct of gaming.

Mr BERKMAN: Thank you. Perhaps it is a question for clarification when it comes back to parliament.

Ms BUSH: The member for Maiwar just asked the question I was drawn to, which was around 'everything necessary'. When I read your submission, it did strike me as a strange hill to die on. You have probably responded as best you can to that.

Mr Hogg: Again, the integrity is utmost. We should be doing everything we can. It is just about making sure that when it is absolute—obviously that was not the intent.

Mr KRAUSE: Mr Hogg, in the public briefing for this bill the department put it on the record that there was 'ongoing investigations by both the OLGR … and Austrac into matters connected with the Star'. You mentioned previously issues that arose in the anti-money-laundering space. In relation to operations here in Queensland, can you tell us if any of those ongoing investigations relate to the anti-money-laundering space?

Mr Hogg: The Austrac investigation is directly linked to anti money laundering and policies and procedures. That is under review at the moment. The review that has been announced into the Star will obviously talk about that further with regard to the reviews that OLGR were doing. Both the terms of reference of that review and what Austrac is doing have direct links to anti money laundering.

Mr KRAUSE: Specific offences are under investigation?

Mr Hogg: Certainly they are investigating us currently on both. Both have not been completed. The Austrac review is currently occurring, and the recent review into the Star is obviously about to commence.

CHAIR: That concludes this session. Thank you for your written submission and thank you for your attendance here today.

Proceedings suspended from 12.33 pm to 1.02 pm.

FARRELL, Mr James, General Manager, Advocacy, Cancer Council Queensland

CHAIR: Good afternoon. I invite you to make an opening statement, after which the committee will have some questions for you.

Mr Farrell: Thank you, Chair, and thank you, members, for the invitation to attend today. Can I begin by acknowledging the traditional owners of the lands on which we are gathered, particularly in the context of the contribution that we make recognising the disproportionate impact of the harm of tobacco on First Nations Queenslanders and reaffirm our commitment to closing the gap in health outcomes, a commitment shared by all of you.

The objects of the Casino Control Act in Queensland include minimising the potential for harm from casino gambling. The truth is that one of the harms experienced by workers and patrons in Queensland casinos is continued exposure to tobacco smoke. In modernising and strengthening the Casino Control Act—and they are words used by the minister when she introduced this bill—we think there is an opportunity here to modernise the Tobacco and Other Smoking Products Act as it relates to premium gaming rooms in casinos, which are the only public enclosed spaces in the state that continue to allow smoking to happen and people to be exposed to tobacco related harms. For those reasons we would encourage the committee to recommend changes to the Tobacco and Other Smoking Products Act that remove the exemption that continues to allow smoking in premium gaming rooms. That is my opening statement. I look forward to the conversation.

Ms BOLTON: How many gaming rooms across Queensland still allow smoking and why has this not been captured before?

Mr Farrell: It is not entirely clear how many rooms there are. We understand that each of the casinos in the state do have so-called premium gaming rooms, colloquially called high roller rooms, and that smoking is generally still allowed in each of them. We acknowledge that some of the operators have committed to ending the practice and prohibiting smoking in that room, and we think that is a really welcome development and congratulate them for that. We think there is an opportunity here, though, to send an important message that smoking should not be tolerated in these workplaces and in these public spaces and for those who are continuing this practice to make it clear that this is out of line with community expectations and that action should be taken.

Ms BOLTON: Would you be able to clarify why these are remaining and were not captured back when hotels had to prohibit smoking within their gaming rooms?

Mr Farrell: There does not seem to be to us any publicly available information about why this dispensation has continued for the casino operators and not for other hospitality venues or other public spaces. Our understanding is that a lot of these spaces are marketed to international visitors and we understand that some of those visitors expect to be able to smoke when they are gambling. We think that is out of step with community expectations in 2022 about the exposure of patrons and workers to the continuing harms of tobacco smoke.

Ms BUSH: Thank you for bringing this to our attention. I obviously have not been inside a premium gaming room and I did not realise that you could actually still smoke in some places, so thank you for that. I know we all know this, but I think it is good to get on the record again the impact of passive smoking for patrons and workers who might be having longer periods of exposure. Could you take us through what you know about that?

Mr Farrell: I think it is important to recognise that the daily smoking rate in Queensland has reduced significantly over the last 20 years. Twenty years ago in general terms 24 per cent of Queenslanders smoked every day. That is now down to about 10 per cent. That is a huge public health success story, one that successive governments and the broader community should be really proud of. We have seen a reduction in smoking rates through a number of measures that have included increasing the number of smoke-free spaces, which is what we are here talking about today; community education; making sure that people are able to access quit services and supports where they need it; limiting retail availability, advertising and promotion; and changes to some of the tax measures. All of those things have contributed to that real public health success story, and that is important because cigarettes are the only product that when used as designed will kill a large number of their users. To use lung cancer as an example, lung cancer is the deadliest cancer in Queensland.

While not all lung cancers are caused by smoking, it is incredibly clear just what a risk factor it is and what a causative factor it is. There are a number of other health conditions that are affected by smoking. I have spoken about cancer but there is also cardiac illness, asthma and other lung issues. The science is completely accepted now that these are fundamentally dangerous products and that they have significant health impacts on people.

In terms of exposure to second-hand smoke, we know the risks. A number of measures have been taken over a long period of time to reduce second-hand smoke exposure, including making spaces smoke-free and not allowing adults to smoke in cars while children are in cars—an example of a sensible policy and legal intervention that reduces the exposure to second-hand smoke because we know that it is deadly. These products continue to be marketed, continue to be sold and continue to kill Queenslanders, and that is why further action is necessary here.

Ms BUSH: Queensland is not the only jurisdiction, I presume, from looking at your submission, where this occurs; is that correct?

Mr Farrell: That is right. As we understand it, Victorian and New South Wales premium gaming rooms still allow smoking.

Ms BUSH: Your submission talks about those jurisdictions that have reformed that space and removed smoking from those gaming rooms. How did that operate in those jurisdictions? Was it met well by casinos and industry or was there pushback on that?

Mr Farrell: I think in some of the smaller jurisdictions the premium gaming rooms are not marketed so much to international visitors. In places like Adelaide and Canberra, the market to which they are appealing is not international visitors coming to these spaces. I think the both sensible and brave approach from Western Australia is pretty instructive here. Late last year the health minister there advised that they would be removing the exemption for their premium gaming room—I think they call it the international room—at the Burswood Casino. We have not seen significant pushback to that anywhere, really. In fact, it was certainly welcomed by public health advocates as an important step forward and we would certainly encourage the Queensland government to take similar action.

Mr NICHOLLS: Are you aware of any casino employees who have worked in these rooms who have developed cancer or any of the other respiratory diseases or other health effects that exposure to second-hand smoke induces?

Mr Farrell: We do not have any data on that, no.

Mr NICHOLLS: You are not aware of anyone who has actually presented as having developed any of those symptoms or diseases or any of those sorts of things?

Mr Farrell: No. I think it is helpful to look to some of the claims that were brought by hospitality workers over a long period of time prior to the banning of smoking in hospitality venues. There were certainly a number of people who were engaged in litigation against their former employers and the appropriate WorkCover authorities recognising that their exposure to smoking in the workplace had resulted in ill health, cancer and other conditions. In terms of data directly of workers in these spaces, that is unclear.

Mr NICHOLLS: Just here or there just isn’t any?

Mr Farrell: We have not seen any.

Mr NICHOLLS: In that respect, if an employee is asked to work as a dealer in one of those rooms, they have the option of refusing to do so?

Mr Farrell: I am not aware of that.

Mr NICHOLLS: They cannot be compelled to do so if they object to it.

Mr Farrell: Again, I cannot speak to that.

Mr KRAUSE: I notice the submission you make is largely confined to that one particular issue, but Cancer Council is also a significant fundraiser and there have been some other submissions around that aspect of the bill. Does the Cancer Council have any comments or submissions to make in relation to that aspect of the legislation?

Mr Farrell: In terms of the detail in this legislation, we do not make any comments about that. In terms of the general principles, though, I think we recognise, as do other large fundraising charities, some of the challenges that exist around out-of-date fundraising regulations, particularly as it relates to online fundraising. Increasingly our organisation, like other fundraisers, does have an online presence in terms of our fundraising activities and so generally speaking the principle of streamlined and modernised regulation for fundraising is one that we would endorse. As to the technical details in this bill, we do not really have any comments there.

CHAIR: There being no further questions, I thank you for your attendance and thank you for your written submission. That brings to a conclusion this part of the hearing. Thank you to everyone who has participated today. Thank you to our Hansard reporters. Thank you to the secretariat. A transcript of these proceedings will be available on the committee’s webpage in due course. I declare this public hearing closed.

The committee adjourned at 1.14 pm.