



Speech by

Hon. D. HAMILL

MEMBER FOR IPSWICH

Hansard 7 December 1999

GAMING MACHINE AND OTHER LEGISLATION AMENDMENT BILL (No.2)

Hon. D. J. HAMILL (Ipswich—ALP) (Treasurer) (4.31 p.m.), in reply: At the outset I want to express my thanks once again to members for their support of these measures. Whilst it is a very large Bill, there are some very important provisions in it which will have considerable bearing as to the direction of the machine gaming industry in this State. In summing up the discussion we have had this afternoon, there are a few points that need to be made.

Whether it has been the Productivity Commission report of the Commonwealth or the foreshadowed report of the gaming review which I commissioned earlier this year, the considered view of all those who have been involved in examining the industry in Australia and in Queensland is that gaming has generated more benefits to the community than disbenefits. In saying that, we must recognise that considerable employment has flowed from the expansion of gaming in the community. We have seen a growth in entertainment and in the availability of community services. By and large, the club industry has flourished in this State. There was a time not that many years ago when clubs were very impoverished indeed. Since the introduction of machine gaming in this State, there has been substantial investment in facilities which have benefited not only sporting clubs and the sporting teams involved but also the broader community.

Having said that, I must say that there are truly major losers. Many of those people who find themselves with an addiction to gambling are truly major losers. Whilst one should not overestimate or exaggerate the negative impacts of gaming—around about 2% of the population really have a major problem—our eyes should not be closed to the social consequences of problem gambling in the community. The important issue for us, therefore, is to put in place a regulatory environment which recognises the benefits and the disbenefits, which has an arrangement to balance those out and which provides the safeguards and the support to those who have suffered because of the incidence of machine gaming and other forms of gambling in the community. The member for Tablelands made mention of the Gaming Machine Community Benefit Fund.

Mr Mickel: A great fund.

Mr HAMILL: I take the interjection from the member for Logan. It has been very successful. It has met a particular niche in the community. It has distributed something in the order of \$60m worth of funds into the community since its inception and has provided the difference between some community organisations being able to provide a service and not being able to provide a service. That has been very important for the communities they serve. It is but one of the tools that we have at our disposal to try to deliver a community dividend or community benefit to try to redress the undeniable problems that gaming has generated for some individuals and in some communities.

Part of the rationale behind the Gaming Machine Community Benefit Fund, the Charities and Rehabilitation Fund administered by the Department of Families and the Sport and Recreation Fund was to deliver benefits back into the community from the dollars that flow through gaming machines. In particular, the Gaming Machine Community Benefit Fund had another role in this, and that was to compensate the range of community activities that previously existed—often around bingo halls and other sorts of non-profit gaming—which were used to generate funds for local community projects and local community groups. It is not a perfect system; I am the first to recognise that, but there have been significant benefits that can be seen, benefits that have made a difference in particular communities.

This is a dynamic industry and the problem for the regulator is that, generally, the regulator is placed in a position of having to respond to the unwelcome changes where people have perhaps pushed the envelope just a bit further than the legislators had ever really intended. We had a very good example of that in this House last year when I brought a Bill into this place at the end of the year to deal with what I thought was a very unwelcome development indeed—that is, the activities of TABCorp in endeavouring to establish a number of super clubs around the State without any regard whatsoever to the community impact of that further proliferation of gaming outlets. I recall that the House spoke as one in saying that this was not the sort of activity which we welcomed. It was an unintended consequence of a number of the changes that have been made through the white paper process. We put a stop to it, and rightly so. I think the community benefited as a result.

In this context, we should also look at the measures contained in this Bill. Yes, there are a great number of measures which are, if we like, housekeeping measures—tidying up the white paper process and refining some of the regulatory procedures that govern the industry. In that context, I wish to make particular mention of the issue raised by the members for Caboolture and Gladstone in relation to penalties. We have sought to review offences and penalties throughout the Bill. In some cases, the penalties have remained the same. There are very significant penalties of 1,000 penalty units with imprisonment as the default option. In other cases, we have considered that penalties of that magnitude are not appropriate to the nature of the particular offence and we reviewed them accordingly. Also, in taking away the prison option in a number of cases, we have been able to put in place the use of on-the-spot fines and the penalty notice system. In a way, it is refining the enforcement procedures under the Act.

The second point I raise relates to amendments dealing with the employment of minors. Again, this is about trying to harmonise legislation. Everyone knows that venues which have been licensed for the operation of gaming machines have also had to be licensed under the Liquor Act. Under the Keno Act and the Liquor Act there are certain arrangements for the employment of minors. When there are gaming machines operating here, keno operating there and the liquor licence operating across the whole of the premises, it is an absolute nonsense to have different provisions in relation to the employment of people on site. Here we have brought it all together and have the same provisions in place, but the Act still prohibits minors playing gaming machines. That is the important point.

As was the case in respect of those amendments that impacted upon TABCorp's expansion plans in Queensland last year, and similarly in relation to the measures contained in the Bill, as Treasurer I am not driven by revenue maximisation with respect to gaming—nor should I be and nor should the Government be. We have a social obligation to regulate an activity in the community and to get it right. We should not be out there trying to wring every last dollar out of the gaming industry, because that would not be in the public interest. What is in the public interest, however, is putting our regulatory environment in place as a sound environment that upholds the public interest.

I remember a few years ago debating probably the first part of what has been the trilogy of the white paper changes to machine gaming. I remember having a number of discussions with the member for Gladstone in that debate. At the time some concern was expressed about the direction of some of the changes. I think a number of members in the Parliament at that time said, "We really need to see how this pans out. We really need to see what the future holds in relation to these changes." I have to say that in one particular area I think we got it wrong. That was in relation to the numbers of machines that were being permitted on sites.

As a result of the white paper reforms we have seen a significant increase in the number of machines in the community. The member for Indooroopilly has been railing about this in the public arena, saying "Tut-tut. It is dreadful. The number of machines has increased." He did so again this afternoon in the debate by highlighting the increase in the number of sites.

All of the increases in site numbers were in respect of hotels. Why? The white paper reforms have meant there has been a significant increase in the number of machines permitted at hotel sites. It has become much more attractive for hoteliers and hotel companies to put machines into hotels, with a maximum of 35 machines. In fact, it is now the case that many hotels have more machines than do licensed clubs. As a consequence of that, we have seen such growth in the numbers of machines in the community—not in clubs but in hotels. We now have a situation where a maximum of 35 machines can be placed in a hotel and a maximum of 280 machines can be placed in a licensed club. But very few licensed clubs actually have the maximum number of machines.

Dr Watson: There were a few with around 250.

Mr HAMILL: Indeed. The honourable member's interjection is right on the mark. But the changes generated through the white paper process have meant there has been a significant increase in the number of machines that are on licensed premises, that is, hotel premises. I think we as a community need to be concerned—not that there are machines in hotels, but just in terms of the proliferation of machines in the community as a whole.

I do not subscribe to the view expressed by the member for Caboolture that we should pick a number out of the air and say, "This is the number of gaming machines we should allow in Queensland." If we do that we ascribe a value to those machines that should not be ascribed to them. But we need to be very conscious about what the community standards and community expectations are with respect to the placement of machines. That is why the amendments I propose, which I have circulated, and the key provision in the Bill—a new clause 21—are so important.

The member for Indooroopilly and the member for Caboolture went on about why it is taking so long and why this provision was not in place before this. We and the Gaming Commission believed that it had the power to put various conditions in place with respect to the placement of machines. I thought the member for Indooroopilly, who has now left the Chamber, was going to become my pen pal, because he was writing to me frequently about a circumstance at Indooroopilly where a particular proponent wanted to put gaming machines into premises at the Indooroopilly Shoppingtown. The Gaming Commission rejected that and I upheld the views of the Gaming Commission.

There have been several other attempts by proponents to put gaming machines into suburban shopping centres. It was as a result of the Government's concern about the proliferation of gaming machines and the appropriateness of sites that the Gaming Commission put in place its guidelines with respect to shopping centres. Recently it has come to my attention that those guidelines are being challenged as being of little value because the Gaming Commission did not have the power to take into account those other social and economic issues. This Bill and the amendments to it are important so that there can be no doubt that the Gaming Commission has such powers—or more to the point that this Parliament wants the Gaming Commission to have such powers.

There are a number of applications that are trying to push the envelope just that little further with respect to sites. I say that the community does not want to see gaming machines in these sorts of places of public access. I believe from the views that have been expressed this afternoon that the Parliament does not want to see it. With the passage of this Bill, we will be able to bolster our efforts in seeing that gaming machines are placed in appropriate places.

It is the case that when gaming machines were first introduced premises had to have a liquor licence. I believe that simply because one has a liquor licence does not mean one should automatically be able to have a licence for a gaming site. That nexus needs to be broken. These measures will help in achieving that. I foreshadow further measures to come before the House as a result of Cabinet's consideration of the work of the gaming review.

I place on record my appreciation of the efforts of my Parliamentary Secretary, the member for Cleveland, and I acknowledge the very able assistance rendered to him by the members for Cairns and Archerfield and also the officers who worked with the team in bringing together a very detailed report to Government. I have chosen not to release the report at this stage, because I think it is also important that we look to see what are practical recommendations that can be implemented.

I foreshadow that Cabinet will consider that report very soon. I believe Cabinet will put a range of recommendations in principle out into the public arena so that the community as a whole will have an opportunity to express its view in relation to them. Then I anticipate that in the new year we can have further legislation before the House, which perhaps will not end the matter but further refine the regulatory environment in which machine gaming operates in Queensland.

Having regard to the comments of honourable members in the debate this afternoon, I believe that the views of the gaming review and Cabinet will be warmly welcomed by the House. I thank honourable members again for their support for this Bill.
