Speech by

Mr T. SULLIVAN

MEMBER FOR CHERMSIDE

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GAMING MACHINE AND OTHER LEGISLATION AMENDMENT BILL

Mr SULLIVAN (Chermside—ALP) (12.37 p.m.): I rise to support the Bill before the House. The House is aware of the changes that were made to the Act in 1997 and March 1998, which implemented a new gaming machine regulatory environment. This Bill will address some of the problems in the Act left by the previous Borbidge Government. We have seen the spirit and the objects of the Gaming Machine Act undermined by the actions of other parties, particularly TABCorp. This legislation will ensure that licensed monitoring operators and clubs continue to act in the best interests of the clubs and the club members. The changes in this Bill will prohibit entrepreneurial activities being conducted to the detriment of clubs and their members.

In 1992, I was privileged to be standing right beside the then Treasurer Keith De Lacy at the Kedron-Wavell Services Club when the first coin was dropped legally into a poker machine in Queensland. I have seen that club and many other clubs grow, and I have seen the benefits to the members because of the legislation that enabled that to happen. We are aware that grants in excess of $66m from the gaming machine taxes have been distributed through the Gaming Machine Community Benefit Fund. Something like 9,000 eligible organisations and their members have benefited. It is anticipated that in the 1998-99 financial year more than 2,400 projects totalling $18m will benefit from the Gaming Machine Community Benefit Fund. Local sporting, cultural and community groups and their members will benefit.

Therefore, the Government is rightly concerned that LMOs are seeking to play a much wider role than the Parliament envisaged when the coalition Government brought in amendments to the Act in 1997. We are aware also that the club and hotel industries have raised concerns about recent developments. I reiterate the point made by my colleague who spoke before me: clubs exist for the benefit of their members. While private firms will benefit from the purchase of goods and services from those clubs, the profits that are generated from those clubs must go back to funding the sporting, cultural, social or community activities of the particular organisation.

Queensland has a very proud record of giving support to the surf-lifesaving movement. This year, the Government will give $3.1m to the Surf Life Saving Queensland, which is the highest grant of any State. We have nothing to be ashamed of. In fact, we have much to be proud of for the support that we give to surf-lifesavers.

I will address some of the comments of Brett Williamson, the Chief Executive Officer of Surf Life Saving Queensland. Mr Williamson is a constituent of mine. We share some common interests, as we both attend the Craigslea State High School P & C Association where we work with other parents for the benefit of the students and the school. However, on this issue, we will have to agree to disagree.

It is a shame that the tone of parts of the correspondence sent to me and to many members of this Parliament by Surf Life Saving Queensland in recent months has been less than rational and somewhat confrontational. I am also disappointed that some of the details concerning the so-called "current situation" that Mr Williamson refers to in his letter are simply not accurate. It is not true that the real motive behind the prohibition of revenue sharing agreements is to preserve and enhance the profits of hotels and existing large clubs. That is not the reason why this Government is introducing the Bill and it is not why I support the Bill. It is incorrect that FOI shows that Mr Hamill was aware that the QOGR already had adequate powers to prevent externally controlled clubs from doing what they are doing. I take extreme exception to Mr Williamson's inappropriate suggestion that future deaths in the

surf could be attributed to this legislation. That statement is unworthy of such a fine organisation. Certainly it shows a lack of appreciation of the correct situation and it is extremely unhelpful in the debate before the House.

I agree with the concerns that were raised by the Scrutiny of Legislation Committee about the retrospectivity of the legislation. It is always regrettable if retrospective legislation is to come about, but from the amendments moved by the coalition it is very clear that it was never intended that an LMO would be a profit taker as part of the revenue sharing arrangements with a club. That was never intended in the legislation. The fact that TABCorp has been cute or sneaky in getting this sort of agreement absolutely goes against the spirit and the purpose of the legislation.

TABCorp saw the surf-lifesaving movement as a soft target, because everyone supports the surf-lifesaving movement. We know that the clubs need financial assistance. TABCorp went outside the spirit of the law and the objectives of the 1997-98 Act to try to gain a financial advantage. It has put private profit ahead of the benefit of members. Under some of the agreements that TABCorp has entered into, member clubs will receive some side benefits, but other clubs will suffer as a result. Why should the Sunshine Coast or Gold Coast bowls clubs, RSLs and sporting clubs suffer because the Victorian TABCorp group has moved in to grab a greater share of the profits through the surf-lifesaving associations? That is not reasonable. While there would be some benefit to the surf-lifesaving clubs in the immediate future, they will receive a much smaller proportion of the profits and their members will forfeit significant benefit to send profits interstate. For years we watched as, week after week, bus loads of Brisbane pensioners went to Terranora and the Tweed leaving in the New South Wales coffers money that should have stayed in the Queensland system. I do not want to see a repeat of that if TABCorp comes in through the back door.

The so-called supporters clubs that were going to be set up are not much more than a facade of respectability that would allow TABCorp to take extra business from existing clubs and send more profits down south. One that was proposed for my local area was the Lutwyche supporters club. The whole purpose of the establishment of such clubs is simply to install another 1,500 or 1,600 poker machines throughout the community, which would undermine existing smaller bowls clubs such as the Kedron sports clubs, the Kedron and District Pastime and Supporters Club and the bowls clubs. The Kedron and District Pastime and Supporters Club meets for the social and recreational benefit of its members. It supports the Kedron Junior Sports Club. That AFL club would not have survived and would not be in the thriving position that it currently enjoys without the assistance of that supporters club. However, no profit goes to some interstate group as a result of the supporters club entering into financial arrangements.

It is a shame that TABCorp used its financial muscle to hone in on a very soft target. Surf Life Saving Queensland does a great job. It has the support of this Parliament, the Government and all Queenslanders, but it has been suckered into a fairly cute financial deal where it will gain some benefit. However, the overall benefit to the State and the overall detriment that will accrue to others do not make those propositions worthy of support. The integrity of the gaming industry is absolutely essential if we are to regulate it properly. I believe that the Treasurer has done exactly what is needed in that regard. He was left with no other option because of the legislation that was before us. I congratulate him and I support the legislation.