



Speech by

Mr P. PURCELL

MEMBER FOR BULIMBA

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GAMING MACHINE AMENDMENT BILL

Mr PURCELL (Bulimba—ALP) (4.54 p.m.): I want to recap to the House the reason poker machines were introduced in Queensland. Like most people in this place, I remember how we used to raise funds for our local clubs, football clubs, P&Cs, P&Fs, community organisations and church organisations. We used to raise funds with chook raffles for the sporting clubs in the pub of an afternoon. Friday night was the best night because people got paid on Fridays and would come to the pub and have a few beers. They would fight you to get raffle tickets. With the meatworks up the road, the meat trays at Cannon Hill were the best meat trays in Queensland. They were great value. Many times the tickets were pre-sold before the workers came in to have a beer. They went to have a beer on Friday nights because everybody was there.

Another way of raising funds was to have bus trips to Tweed Heads. In those days there was not too much scrutiny on the buses. We used to put a couple of cartons in the middle of the bus and have a few drinks on the way down. We would go to one of the six or seven clubs at Tweed Heads and take the missus out for a meal.

Mr McGrady: The wife.

Mr PURCELL: We would take our wives out for a meal and they would play the pokies while the blokes got together to have a few beers. We would then get in the bus and come back again. Just to give the House a few figures, the Parliamentary Library has released a report entitled *Community benefits associated with the gaming machine industry: the Gaming Machine Amendment Bill*. It states—

A striking feature of the pro-machine lobby in Queensland was the estimated \$100 million taxation that would be paid to the New South Wales government between 1980-1990 through Queensland residents playing machines in seven licensed clubs operating over 1,300 machines in the Tweed Heads area.

That would be quite true. The report continues—

These seven clubs were among the largest in New South Wales with an estimated combined membership of 98,000, of whom over 80,000 were estimated to be Queensland residents.

Some 80,000 of those people came from Queensland and were resident in Queensland. Members can see why we introduced poker machines. We introduced poker machines to stop the bleed, if you like, of taxation going across the border to New South Wales. We are all in the one country and we get on well with New South Wales, but I do not think we need to donate money to the coffers of New South Wales to see that it gets on well. That situation was addressed by poker machines being introduced in Queensland.

The Gambling Community Benefit Fund was set up when poker machines were put in place. It is administered by Di Campbell. She and the other staff do a marvellous job, because many people in my area have benefited. The Gambling Community Benefit Fund supports clubs and small organisations that do not have the option of raising the funds needed for kids to participate in sport, for the pony club to get its equestrian ring or get grounds top dressed and sheds and toilets built and so forth—those things those clubs cannot operate without. Community organisations, church organisations, P&Cs and P&Fs have also benefited from that fund. I thank the staff of the fund for the help they have given in my area and the funds that have come from that community fund for people in my area. It has really been a boon to the area.

I want to give the House some figures in relation to taxation revenue to the states through gambling, even though these figures do not relate just to poker machines, and I know that that is what the bill is about. From 1990 to 2000, 10.3 per cent of total tax revenue in New South Wales came from gambling. In Victoria it was 15.7 per cent. It did not take long to catch up, as it was one of the last states to introduce poker machines. In Queensland it was 12.9 per cent and in South Australia it was 12.6 per cent. The national average was 11.7 per cent.

I support the Gaming Machine Amendment Bill 2001. To not do so would be just about un-Queenslander, as the first moneys from the levy are to be used to give Brisbane and Australia a first-class, purpose-built stadium for Rugby League, Rugby Union and soccer. When people go to watch the game they will be on the sidelines. One of the greatest grounds anywhere in Australia is Lang Park. Some people know it as the Cauldron from the State of Origin, Suncorp Stadium and the ground the Blues hate to play on, because we have buried them there on so many occasions. People can call it what they like, but it will be a world-class stadium for football and purpose-built for it. Everybody will get a great seat and be right there on the sidelines. Anybody who does not agree with where those funds are going really does not realise the benefits of the redevelopment.

The upgrade of Suncorp Stadium will come about by a levy placed on the gaming machines of the top 20 per cent of hotels to form the Major Facilities Fund. I know that when this was first announced by the Premier and the Treasurer, Terry Mackenroth, it was not welcomed by the hotel industry. Anybody who did not know that would have to have been dead at the time. I know that Tom Maguire, on behalf of the Queensland Hotels Association, negotiated long and hard with the Treasurer and Treasury officials in relation to the rates to be imposed. Those negotiations went on over a long period of time. I think the hotel industry knew that the government would reinstate the tax on their pokies which was taken off some years previous. I think they would have known that was coming back. The speed and the rate have now been bedded down for the hotel industry. Nobody likes to have to part with large sums of money, but for most hotel proprietors in that 20 per cent that is now behind them. They have moved on.

The sporting industry is a large employer not only in Queensland but also throughout Australia. This bill seeks to set up the Major Facilities Fund. Sportsmen and women—our children and hopefully our children's children—will benefit from the facilities that will be available for them in the future from this fund. I have mentioned Rugby League, Rugby Union and soccer. Other sports to benefit are hockey, cricket, swimming, athletics, equestrian, cycling, gymnastics—you name it. They are all there. We see our sportsmen and women competing at the Olympics, but they need training facilities in order to reach world-class standards. This fund will give those facilities to them so that they can compete anywhere in the world, as they do now.

For our population, this country would be probably the most sporting nation in the world. We would win more medals at the Olympics per head of population than any other country. I think people would know that. The Treasurer, through this fund, will give Queenslanders the opportunity to train at an elite level in the best facilities possible. I think that is the least we can do. People talk about unemployment being a problem. There are a lot of people employed in sport. If members sit down and think about it, they will realise how many.

Another proposal in the bill is a cap on the number of poker machines in hotels in Queensland. I think that is a good thing. If we are fair dinkum about restricting the opportunity to gamble on pokies then that is the way to go. The Treasurer's second reading speech states—

This Bill is a strong, decisive initiative by the Government to address community concerns about the recent rapid growth of gaming machines in Queensland.

I refer to the present inquiries into poker machines. A press release relating to the recent inquiry into poker machines in New South Wales stated that there would be a cap on poker machines in New South Wales in all clubs and all pubs. New South Wales is addressing the issue by capping both hotels and clubs. I suppose what happens in one state will happen in another and we will follow that to a certain extent.

I refer to the growth in the number of poker machines in New South Wales, which has had poker machines for a lot longer than Queensland, of course. There are 104,000 poker machines in New South Wales clubs and pubs. That is an enormous number of machines. They will cap the number of machines in each club at 450, whether they are new or existing, where the number of machines is currently less than 450. Every club venue with more than 450 machines must shed 10 per cent of their machines over a five-year period. So they are going to claw back some of those machines. They will maintain a limit in hotels of 30 machines each. The press release goes on to talk about how they can transfer machines from club to club and so on. It is very important: they are going to claw back those machines.

I have here a list of the top 18 clubs in New South Wales and how many machines each has. It would not be a secret that Penrith Rugby League Club, at the foot of the mountains, has 1,167 machines. It is the club in New South Wales with the largest number of machines. Not far behind is

Bankstown District Sports Club, with 739 machines. Twin Towns, which is a club most of us would have been in at some time in our lives, has 551 machines. Seagulls Rugby League Football Club—I do not know how it could have ever got in trouble—has 534 machines. Those top 18 clubs have a total of 10,587 machines.

New South Wales is going to spend \$2 billion to claw back machines. I think we need to be looking at where we are going, not only with hotels but also with clubs, so that we do not put ourselves in a position whereby we have too many poker machines in this state. As I said before, I think the number of machines we have now certainly has worked well for the people of Queensland, with the tax revenues we get out of them. They certainly work well for the community organisations that get grants from them.

I mention the clubs and pubs in my area. My clubs are all small clubs, and they all battle. The member for Toowoomba North earlier spoke about his cricket club and how poker machines were not the saviour of his clubs. I probably have too many clubs in my area—not that I want to see any of them disappear. Mine is an inner-city suburb, and a lot of clubs have grown up there because of the population in the area. I have five bowls clubs, a sailing club, an 18-footers club, a little golf club and many others. I have 14-odd clubs, and they battle because of their size. They will not grow any bigger because of the restrictions in and around the suburb. They find it a bit tough.

The Treasurer probably has heard me speak about this before, but we should consider not taxing the smaller clubs on their poker machine levy. I think that if we could strike a balance there, we would do a lot to assist the smaller clubs to be viable. I assure members that they offer a lot of community benefits and a lot of sport.

Mr Mackenroth: We don't tax the little ones now.

Mr PURCELL: I know that some of the ones in my electorate get taxed. So we need to raise that level a bit higher. It is no secret that those little clubs have been in trouble from time to time.

Mr Mackenroth: It starts from nothing and then it increases as their revenue increases.

Mr PURCELL: Yes.

Mr Mackenroth: The ones that are earning a little more pay more.

Mr PURCELL: We need to lift that revenue cap a bit higher and come up with a balance whereby we can make it more viable for them. They do battle. And one of the things that concerns me about the ones that are battling is that satellite clubs are being introduced into Queensland. That is a bad thing. Other clubs will take over a smaller club because they are in financial difficulty. We should not let that happen in Queensland. It happens in New South Wales. And once the numbers of poker machines are capped, it will happen more often; they will take over the running of another club and put in more pokies. Urgent action needs to be taken to ensure that this does not happen in Queensland.

Also, private management in certain clubs in Queensland does get the benefit of the reduced taxation. They are private clubs that operate the same as hotels do, or the same as any private organisation does. So they should be really looked at. The top 20 per cent of hotels and the top 20 per cent of the clubs could also put up their hands for the major facilities levy. Obviously that would be done in consultation with the clubs. I believe an inquiry is being conducted at the moment, and I am sure that that inquiry will look at those sorts of things. If we are going to cap the number of poker machines in one area, we should look at capping them in another.

Traditionally, hotels in country areas—and I know this from when I played football—are the ones that support all the small clubs. When I played footy, those were the places where we raised our funds, where we had our showers and where we had a feed. We sometimes even had a beer there from time to time. They continue to support the smaller clubs in the country, and I believe we should encourage them to continue to do so.

Mr Copeland interjected.

Mr PURCELL: Big hotels. The hotels in my area are the ones that put up their hands from time to time when I need some funds for organisations. As everybody in this place would know, people come to us looking for assistance to send overseas someone who has been picked from a school or a club and there is a need to raise some funds. In my electorate, Bunnings at Cannon Hill have been very good. I get a wheelbarrow from Bunnings, I take it down to Maguire's pub and say, 'Fill it up.' They fill it up with beer, and then I give it to the organisation. They take it to somewhere like a shopping centre or somewhere else where there are a lot of people on a Saturday, and they sell tickets there for a few weeks and can raise \$1,000, which is very handy.

The hotels in my electorate continue to support sport and organisations in my electorate but, sadly, the clubs in my electorate are just too small. I know that the Treasurer has heard what I have said and will try to make those clubs more viable by lifting that level a bit higher so that those clubs will be able to continue to operate and look after people in their communities.