



Speech by

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GAMBLING LEGISLATION AMENDMENT BILL

Mr HORAN (Toowoomba South—NPA) (2.00 p.m.): The Gambling Legislation Amendment Bill is an important bill, particularly in the way it provides increased protection for those who have gambling problems and in the way it deals with certain changes to the administrative management of clubs, in particular private contractors who contract to conduct the management operations or organisations leasing the club facilities. First I will make some general comments. Since the introduction of poker machines in the early 1990s we have seen a lot of social change occur in the cities and towns in which we live. Certainly we have seen a major change in terms of the difficulty so many organisations have in raising funds. Poker machines and convenient gambling methods such as scratch-its have been like vacuum cleaners, sucking large amounts of money out of communities. That has had an effect upon not only the fundraising activities of many organisation but also—this happened particularly in the early stages while there was some sort of adjustment in communities—small business operators and commerce in many of our towns and districts.

Organisations such as the Endeavour Foundation and other service club organisations used to rely quite heavily on bingo. They found that it was very difficult for bingo to compete with poker machines. Whereas those organisations were able to raise money through bingo and the vast bulk of it stayed in our town or district, with poker machines a certain amount of revenue goes to the government. It is a matter of conjecture whether a district gets back as much as what goes out. Particularly in rural and regional Queensland there is probably a feeling that, because of the big demands in the capital city—cross-river bridges, stadiums, art galleries and all the things that go into a capital city and as a result of the highways and growth that occurs around the capital city in the south-east corner—more money goes out of rural electorates and to the south-east corner than comes back to the areas. In the whole mix of money that is going out and coming back, it is very difficult to determine whether there is a negative drain on the economies of the rural and regional areas of Queensland. We tend to believe that that is what is happening.

I think a lot of clubs and organisations saw the advent of poker machines as a potential pot of gold at the end of the rainbow. It certainly has not been that. In most towns or cities of Queensland you find that one or two poker machine venues or licensed clubs have become highly successful and have become big or huge. Then there are a number of smaller clubs that are able to make something out of the poker machine revenue by being very careful and running a system of poker machines of small denominations and not overspending or overborrowing in order to go big.

I think there was a period when we saw some very unfortunate happenings to organisations—big sporting clubs in the regional cities of Queensland that perhaps overborrowed because they thought there would be a bonanza from the poker machines but it did not turn out that way. They were eventually taken over by other organisations or liquidated in some form or other. It was a shame to see that happening to some of our major sporting clubs along the coastline and in some of our major cities. With that, some of the major licensed clubs from New South Wales, who operate in a very big way, have moved into regional Queensland and taken over these organisations.

I ask the minister, in his reply to the second reading debate, to comment on the part of this legislation that refers to leases and to contract management and the oversight of that by the Office of Gaming Regulation. Is that all to do with the takeover of some of our sporting clubs by, for example, the major leagues clubs of New South Wales who come in in certain circumstances? I know that one has come into our city to take over a club. That sports club, which we had all hoped was going to be for the total benefit of our city of Toowoomba, has been taken over by a New South Wales leagues club. No doubt some of the profits are going back over the border to New South Wales.

Mr Mackenroth: They can't take a percentage of the revenue out of the gaming.

Mr HORAN: But they are not buying it to run at a loss. They are buying it to make a profit.

Mr Mackenroth: And this legislation is to try and make sure that private operators are not able to get in there and make too large a profit.

Mr HORAN: That is the point I ask the minister to comment on in his reply. The aim of clubs putting in poker machines was to help the club ownership and the club members—that it remain a community benefit, if you like. There could be communal owners or members of a club, that club would have some poker machines, there would be improved facilities—meals or whatever—and people could enjoy their club, and at the same time the profits from the club would go towards running the particular activity the club was associated with. It could be an RSL club that wants to maintain good facilities and maintain the sacred memory of the returned servicemen in particular parts of their building and then distribute money to Legacy or other organisations in the town, or it could be a sports club that wants to use the surplus money for the betterment of the sports involved in the club. It could be a leagues club, a Rugby club, an Aussie Rules club, a netball club, or whatever. They want to use the funds generated to promote and develop their sport, rather than have to do it by the methods that have always been used in the past, such as chook raffles, meat trays and so forth. Of course, many of those activities still happen. On any Friday night in any pub around the town there are always the little raffles going for the various clubs in our town.

I think it has been a bit disturbing to see some of these major clubs that did not make it being taken over by clubs such as Penrith and the Canberra Raiders. Obviously there will be a surplus—that is why they are trying to run it—and that surplus will go back over the border. It is not like the clubs being run by our own people. They are being run by people over the border and some of the proceeds and profits are going back there, so a little bit more is being siphoned out of our regional area.

A couple of funds have been developed in parallel with the introduction of gambling machines and with the casinos: the Jupiters Casino Community Benefit Fund—I will not touch on that because it relates to casinos—and the Gambling Community Benefit Fund, where the amount people can apply for has been increased to about \$30,000. We get a lot of applications—I think it happens throughout all electorates—and perhaps almost all of them are very worthy of receiving those grants. When they do get them they greatly appreciate them, but one does wonder what is going out of the town compared to what is coming back into the town in the form of the grants that those who receive them are lucky enough to obtain.

I have mentioned the problems of fundraising. Everyone who is involved in fundraising now is finding it more and more difficult. There is no doubt that poker machines have soaked up a certain amount of money from our community.

One of the other interesting developments has been with hotels. In the history of hotels we have had various stages of fluctuations both up and down, but the arrangements with poker machines has enabled some hotels to be able to update and improve the facilities that they have. So there has been a regeneration or renewal of many hotels that would not have been possible had the poker machines not been there. I guess part of the reason why it would not have been possible—it is a bit of a catch-22 situation—is that the introduction of poker machines to clubs meant that clubs took a lot of the business that the hotels had previously had.

I want to make a few comments about the good job that Lifeline does. Lifeline in Toowoomba sees a regular—not a massive—number of people coming to it who have self-excluded or who have seen they have a problem and want to deal with it through Lifeline. The demand for counselling has been increasing over the past 12 months. If we look at the national statistics, we see that about 2.1 per cent of the Australian adult population is classified as problem gamblers. That is a sizeable chunk of our population. In Queensland that particular survey showed close on one per cent were problem gamblers but there was another percentage of people who were at high risk of becoming problem gamblers, so that brings it up close to that 2.1 per cent national average.

I think what we have to watch as a parliament is the staggering increase in the amount of money that is going through poker machines. I believe in the last 12 months there has been about a \$200 million increase in the gross amount put through gambling machines, through poker machines. That is a large amount of money and the bulk of it does not come back. Once it is in, it is gone unless you are lucky enough to pull the jackpot.

Mr Mackenroth interjected.

Mr HORAN: If it were that good we would all be going there all of the time. The real attraction of clubs for many people—and I think we would all like to see this with responsible gambling—is that people see it as their club. Whether it is a little bowls club or a big club that has 170 poker machines, people see it as a facility to go to with family and friends, have a nice meal maybe on a Friday night, spend some time with their family or friends, maybe have a little flutter for entertainment or maybe not go near them at all. In that way, we could all be assured that these poker machines were not creating the problems that we had all hoped they would not create.

This particular bill deals with the issue of exclusion, be it voluntary or self-exclusion, by those people who have come to the realisation that they are in trouble and they have a problem with their gambling addiction. There is a uniform standard process across the five acts which addresses how self-exclusion occurs. A cooling-off period and the self-exclusion remains in effect for five years but there is an opportunity for that to be revoked and brought back to one year. The bill also deals with venue initiated exclusions, which are exclusions which are basically forced upon people by the operators of the venue. Again, this bill which we are supporting provides for a uniform system and various rules for that to happen.

As I said, this bill looks at a licensed club being required to advise the Queensland Office of Gaming Regulations of any management agreement and of any subsequent change before an agreement is entered into by the licensee or before the changes are made. I would be interested in the minister talking about how this all happens. In some cases New South Wales leagues clubs have come in to take over a club. In most cases they were fairly desperate circumstances for our own clubs that were in difficult financial circumstances. We could say that at least they were bailed out or saved or rescued. What is the disadvantage to us as Queenslanders in having our club system run and managed by major New South Wales Rugby League clubs? How does this bill, in particular, ensure that those takeovers are occurring to the benefit of our population and our centres? If it can happen when they are in financial difficulty, then no doubt it can also happen at any other particular time. They may come forward with ideas or concepts of capital injection to build or expand a particular venue.

I would also like an explanation of the references in this legislation to contract management. Does that mean clubs are now no longer training and running their enterprises with their own staff? Are they bringing in private enterprise contractors who come in and do the management?

Mr Mackenroth: A lot of the smaller clubs employ the larger clubs to do the contract management. Wynnum Manly Leagues Club do it for the Wynnum Workers Club and the Wynnum Bowls Club. Those clubs have their own identity but the management comes from—

Mr HORAN: I gathered that. Perhaps the Treasurer could explain that in detail in his summing up.

Mr Mackenroth interjected.

Mr HORAN: I think they were the two major queries that I had. I also have a query about the leasing of clubs. I would like the minister in his summing up to explain the references here to the leasing or management agreement of a club where the clubs are able to be leased.

I have noticed some small clubs in my electorate which have done well. Because they have been sensibly and well run, they have realised their limitations. One club in particular—a bowls club—has kept its poker machine denominations to a small amount. It had a healthy balance before poker machines were introduced. It has maintained that. It has not gone into grandiose expansions but has lived within its means. I have seen the great success of the Toowoomba City Golf Club, which has always been a well-run club. Even before poker machines were introduced, it had the second highest liquor licence in Toowoomba after the Wilsonton Hotel for many years because it was well run by a good committee.

The Toowoomba Hockey Club, which is on the western side of the city, I think has done an exceptional job in an area where there are not many houses. It is mainly an industrial area but they have been able to attract people to the club's facilities. Importantly, I think they have really worked to the principles of a licensed club. The Toowoomba Hockey Club has been able to improve dramatically its fields and facilities so that there are water based fields, sand based fields and grass fields—a whole range of fields. All of the clubs in town use that facility for playing and training. I think it is well known the enormous contribution by Toowoomba hockey to the Australian Olympics, to both the women's team and the men's team over a number of Olympic Games, Commonwealth Games and world series.

That is a good example of how that club has had a core business—an understanding of what it was about and that it had to provide good customer service to attract people to it—but that club is ultimately about hockey. I think it has really kept its eye on what it was all about. As a result it has been a very successful club and has received good support.

We are supporting this bill, but we do have concern, of course, about the gambling problem. In supporting this bill we are pleased to see that there are systems to deal with those particular gambling problems.