




Speech By  
**Hon. Yvette D'Ath**

**MEMBER FOR REDCLIFFE**

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Record of Proceedings, 1 November 2016

### **MAJOR SPORTS FACILITIES AND OTHER LEGISLATION AMENDMENT BILL**

 **Hon. YM D'ATH** (Redcliffe—ALP) (Attorney-General and Minister for Justice and Minister for Training and Skills) (5.29 pm): I rise to speak in support of the Major Sports Facilities and Other Legislation Amendment Bill 2016 and, in particular, those amendments that relate to the Gaming Machine Act 1991 and the Keno Act 1996. The government is taking this action because we recognise the value of community clubs. Over time, as population and demographics change, some clubs have struggled to manage the change and, unfortunately, some have gone out of business. Very few new clubs are taking their place. There are some notable exceptions, as the members for Murrumba and Morayfield know well, as the Caboolture Sports Club has committed to a greenfield site for a new club in North Lakes. It will be the first such new club in about 20 years.

According to Clubs Queensland, history has shown that an average of 13 community clubs close each year. My department's statistics indicate that the number of club venues licensed under the Gaming Machine Act has declined from 557 in June 2009 to 457 in June 2016. Clubs are not run for profit. They are run for the benefit of their members and are community focused. If a club closes, the consequences extend beyond the club to the local community and may include a loss of employment for local residents, a loss of community facilities for local families and a loss of cash and other in-kind donations for local schools and other interest groups. Within our communities, we have all seen our local bowls clubs and other clubs closing. Those facilities will never be rebuilt and we should do what we can to support their retention in our communities.

Due to clubs' not-for-profit nature and inability to distribute any income, profits or assets to members, there are often limited avenues for assistance for a struggling club. However, larger more experienced clubs have the means and expertise to assist struggling clubs by adopting them as additional premises. The experienced clubs also have the means and expertise to create new clubs in greenfield areas that might otherwise go without sporting and social infrastructure. However, the feedback that we have received from the industry indicates that larger clubs may be reluctant to create or adopt additional premises because of the way that gaming machine tax is currently calculated for clubs with additional premises. Section 312 of the Gaming Machine Act requires that, where a club has additional premises, the amount of gaming machine tax payable by the club is calculated on the basis of the sum of the gaming revenue from all of the club's premises. Because clubs are subject to a sliding scale tax rate, operating additional premises may actually increase the tax liability for a club. Therefore, the bill contains a measure that will assist the club industry and preserve club, sporting and social facilities across the state. Specifically, it proposes to introduce a change that will see the gaming machine tax rate applied on a per venue basis for clubs with additional premises. It is hoped that the change will help the club industry to help itself.

Clubs Queensland has been seeking a change to the gaming machine tax calculation on behalf of its members for a while. It has long held the view that the ability to operate additional premises is integral to the survival of clubs. Earlier this year, Clubs Queensland surveyed its members about the

club tax proposal. Of 80 respondents, 69 or 86 per cent believe the proposed tax change will be a positive outcome for the community club sector; and 43 respondents, representing 53 per cent, stated that the tax change will influence their decision to either amalgamate or expand in the future. I take this opportunity to thank Clubs Queensland and its members for their advocacy on this matter. We all recognise the benefits that clubs provide to the community. This amendment reflects our commitment to consultation and getting the balance right.

I emphasise that the proposal will not alter any aspect of the current gambling harm minimisation framework, including the existing controls on the expansion of club gaming facilities. I further reiterate that the proposed amendment will not result in any more gaming machines being available to clubs within the statewide cap that has existed in legislation since 2009.

The Responsible Gambling Advisory Committee was consulted on the club tax proposal and did not raise any significant issues. The committee is tasked with providing to me as the minister responsible for gambling advice on gambling related issues and emerging social concerns. Its members include representatives from the hospitality and gaming industry, community groups and government agencies. I believe the amendment proposed by the bill is necessary to sustain and support club operations in Queensland. I encourage all members to support the amendment and the bill, and to support the clubs in our communities right across this great state.

The bill seeks to amend the Keno Act to allow the Queensland Keno licensee to enter into agreements with Keno licensees in other Australian jurisdictions to pool jackpot contributions for certain Keno games. This amendment relates to Tabcorp Holdings Ltd, which operates Keno in Queensland, New South Wales, Victoria and the Australian Capital Territory through various licenced subsidiaries. Since early 2015, its licenced subsidiaries in New South Wales and Victoria have participated in a Keno jackpot pooling arrangement. Both of those jurisdictions have experienced an increase in Keno sales following the introduction of Keno jackpot pooling. The amendment to the Keno Act will enable the Queensland Keno licensee to reinvigorate its product offering and offer Queenslanders the same opportunity afforded to New South Wales and Victorian residents to participate in and potentially win higher jackpot prizes.

Currently, the Keno Act prohibits the Keno licensee from conducting Keno during certain prohibited times on Good Friday, Anzac Day and Christmas Day. In order for the Queensland Keno licensee to facilitate synchronised jackpot draws with other participating jurisdictions that do not prohibit the conduct of Keno during those periods, the bill amends the Keno Act to provide that a Keno draw may be conducted during the prohibited periods for the purposes of the Keno pooling agreement. However, it is very important to stress that, although there will be Keno draws conducted during the prohibited periods, it is not approval for Keno to be played, that is, tickets sold, or a draw displayed in Queensland venues during the prohibited periods. That is consistent with the longstanding prohibition on gambling on important traditional and/or culturally significant days and this government continues that commitment.

As the Productivity Commission noted in its 2010 report into gambling, it should be noted that Keno presents a relatively lower risk of harm compared to other gambling products such as gaming machines. Furthermore, all harm minimisation and player protection safeguards that currently apply to the conduct of Keno in Queensland will remain in place. In particular, the Queensland responsible gaming code of practice and its associated Keno resource manual will continue to provide guidance to venues where Keno is sold.

Our government will continue to work with the industry and the community to ensure that our gaming regulations remain contemporary and fit for purpose. I have sought to limit my comments to the Gaming Machine Act 1991 and the Keno Act 1996 amendments, but I add my support to the other amendments that are outlined in the Major Sports Facilities and Other Legislation Amendment Bill 2016 put forward by the Treasurer. I commend the bill to the House.