



**Submission to the Fifth Social and Economic
Impact Study of Gambling in Tasmania**

2 November 2020

About the Australasian Gaming Council (AGC)

The Australasian Gaming Council (“AGC”) was established in 2000 as a national body with a charter to promote responsible gambling and further a sustainable industry.

In pursuit of this aim AGC activity has, for many years, focused on promoting information and education about gambling, high quality gambling research and supporting the development and implementation of evidence-led responsible gambling initiatives and policies.

The AGC participates in gambling and public policy forums, speaks with stakeholders throughout Australasia and provides products, resources and services that seek to increase knowledge of both the responsible provision and consumption of gambling.

AGC members include Aristocrat Technologies Ltd, the Australian Leisure and Hospitality (ALH) Group, The Australian Hotels Association (AHA - National and State/Territory Branches), Crown Resorts Limited, The Star Entertainment Group Limited, The Gaming Technologies Association (GTA) and Tabcorp Holdings Limited.

To read more about the AGC please visit our website at www.austgamingcouncil.org.au

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Introduction

The Australasian Gaming Council (“AGC”) welcomes the opportunity to provide a submission to the fifth independent review of the social and economic impacts of gambling in Tasmania (“Fifth SEIS”).

Several AGC members have a long standing presence in Tasmania, including the Tasmanian Hospitality Association (“THA”, the peak industry body for hotels, accommodation, restaurants, cafes, caterers, community, sporting and RSL clubs), the Australian Leisure and Hospitality Group Ltd (“ALH Group”), and Tabcorp Holdings Ltd (“Tabcorp”).

AGC members in the gaming technology manufacturing industry, chiefly the Gaming Technologies Association (“GTA”) and Aristocrat Technologies, are suppliers of products available in the Tasmanian gaming environment and provide technology supports to both government and industry.

The contribution of the gambling industries in Tasmania to the economy of the state – both direct and indirect – is substantial. Casinos, hotels and clubs are involved in the provision of a diverse range of entertainment, hospitality, accommodation and tourism options. Alongside the racing and wagering industries these businesses in turn employ, or through the diversity of their operations contribute to the employment of, a significant number of Tasmanians.

Venues offering gambling as part of the mix of recreational activities available on premise may act also, in a number of Tasmanian locales, as hubs for local sporting groups and communities. They are places of social gathering where patrons can attend to eat, drink, attend events, hear live music and engage with others - as well, if they chose, to gamble.

Tasmania’s hospitality industry maintains a well-deserved reputation for excellence and as recognised recently by Jeremy Rockliff, Tasmania’s Deputy Premier, hospitality and events remain key economic drivers for the state.¹

The ongoing Tasmanian SEIS series has, over the years since its commencement, provided a regular and comprehensive update of statistics, facts and commentary on matters of importance to industry, government and community alike.

The Fifth SEIS occurs in a period of significant social and economic change – a time of ongoing uncertainties and added complexity.

All Australian businesses and communities are currently adapting to circumstances that have created upheaval across the spectrum of everyday life leading to substantial economic impacts and a reduced economic and social outlook that will likely exist, to varying degrees, for some time.

The Tasmanian industry is no exception. Land-based gambling has experienced significant impacts over both the period of lockdown and the subsequent restricted trading environment required to preserve community health (as indeed have similar hospitality and entertainment businesses the world over) during the COVID-19 pandemic.

A great deal of data regarding COVID-19 impacts on gambling and gambling behaviours is only just beginning to emerge and while this submission makes comment on current issues, it remains relatively constrained, if only for the fact that while we submit at a point in time, changes continue to occur.

In a number of areas upon which we make comment we understand that Tabcorp, THA and the Federal Group will be submitting more specific commentary and data.

¹ *Supporting Tasmanian Venues This Summer* – Jeremy Rockliff, Deputy Premier of Tasmania, Media Release, 5 October 2020

Executive Summary

- Tasmania has a relatively small, mature gambling market that has remained largely unchanged in size over the past decade. While Electronic Gaming Machines (“EGMs”) comprise the largest share of the land-based market, expenditure and participation levels with regard to this gambling form have declined or remained flat over a number of years.
- Throughout the rest of the nation consumers are changing and younger demographics are increasingly preferencing online and app-based activities. While this national trend appears to remain less developed in Tasmania it can be expected to grow in forthcoming years and may have been hastened for some cohorts – including more vulnerable cohorts – in the lockdown period.
- Direct gambling taxes contribute to just under six percent of Tasmania’s own state taxation revenues but provide a narrow reading of economic contribution to the state. Businesses providing land-based gambling opportunities are diversified entertainment and hospitality providers with a number of flow-ons from their activity to the broader economy. Gaming is intertwined, in many cases, with the business structure and contributes in no small part to the overall offer provided by any site.
- Contribution is also made to community – be it directly through mandated levy or through in kind giving and other charitable donations. Venues are more than just gambling providers – they host a range of activities that provide enjoyment and are spaces for social interaction.
- Employment is difficult to quantify, particularly for hotel/club businesses, as roles may be split between gaming and other functions. ABS data on this subject is likely to provide an underestimate and while FTE’s are important economic indicator, a headcount remains illustrative of the extent and value to the community of the flexible employment provided by the sector.
- COVID-19 has created disruption to both the Tasmanian economy and society on a scale not experienced since the inception of the industry - and these impacts are ongoing. While concerns have been evinced regarding recent increased expenditure levels (subsequent to the resumption of gambling activities) when held in balance, expenditure has dropped in comparison with the same period in the 2019 calendar year. Other changes occasioned by COVID-19 suggest that performance of the industry over the longer term is unpredictable and largely remains to be seen.
- There has been a great focus in Tasmania on harm minimisation provisions and controls in the EGM environment and those in place are amongst the most stringent in the nation. Advances in technology suggest that in the longer term there is greater scope in future for further activity in this area.
- In the more immediate time frame, a focus should perhaps be placed on increasing community education and resources as consumers come to terms with a changed economic outlook and a range of stressors. Training should also focus on equipping staff with further skills to identify and refer those in difficulty in what is becoming an increasingly complex environment for both mental and economic health.
- A socially responsible, vibrant hospitality industry can make a vital contribution to the process of recovery currently occurring in Tasmania, which, as in most states and territories throughout Australia, is likely to be ongoing over a number of years.

The Tasmanian Gambling Environment and Trends

The 1990's and 2000's were an era of expansion and growth for the gambling industries throughout Australia. In the years since, the land-based gambling environment throughout the country has become a mature market.

Current gambling forms available in Tasmania reflect those available throughout Australia but the size of the Tasmanian industry has remained relatively small, and largely unchanged (despite some fluctuations), over a period of more than a decade.

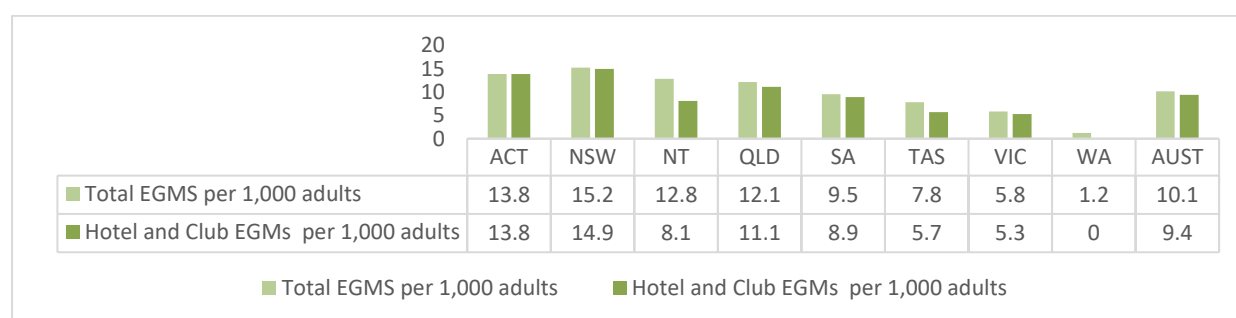
Table 1: Gambling Activities in Tasmania 2005-06² compared to 30 June 2020³

Activity	Number of Venues/Outlets		Number	
	2005-06	At 30 June 2020	2005-06	At 30 June 2020
Electronic Gaming Machines				
Casinos	2	2	1,280	1,185↓
Hotels and Clubs	104	93↓	2,396	2,300↓
Spirit of Tasmania	2	2	46	36
Casino table games	2	2	38	38
Lottery outlets	83	91	n/a	n/a
Keno Venues	164	153	n/a	n/a
Race Wagering				
Ubet retail outlets	129	133	n/a	n/a
On course bookmakers	15	6	n/a	n/a
Minor gaming permits	n/a	n/a	594	273

In Tasmania, much as throughout the nation, Electronic Gaming Machines (“EGMs”) have a larger market share than other land-based gambling forms. Even so, Tasmania has one of the lowest levels of EGM density (per 1,000 adults) in the nation (a figure that has declined on that of previous years) as well as a state-wide cap on hotel/club venue EGMs that is amongst the lowest in Australia.⁴

Likewise, Tasmania has fewer casino EGMs than most mainland jurisdictions (although proportionally more are located in casinos than in hotels/clubs) and only a small proportion (approximately 3%) of Australia’s total retail wagering outlets.⁵

Figure 1: EGM Density per 1000 Adults (18+) in Australia 2017-18



Source Government Statistician, Queensland Treasury and Trade (2019) *Australian Gambling Statistics 1992-93 to 2017-18* (35th edition).

² South Australian Centre for Economic Studies (2008) *Social and Economic Impact Study into Gambling in Tasmania*, Tasmanian Department of Treasury and Finance.

³ South Australian Centre for Economic Studies (2020) *Fifth Social and Economic Impact Study of Gambling in Tasmania: Discussion Paper*.

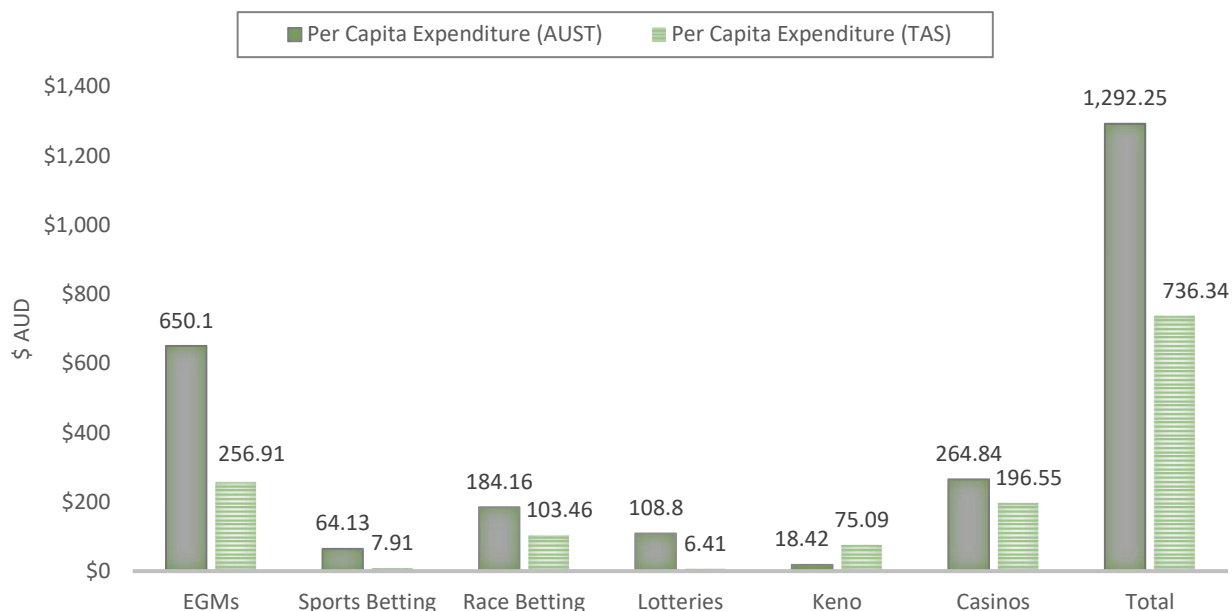
⁴ Appendix One: Australasian Gaming Council (2020) *Australian Hotel and Club EGMs – A Comparison of Select Data/Provisions*.

⁵ See Australasian Gaming Council (2020) *A Guide to Australasia’s Gambling Industries 2017/18*
https://www.austgamingcouncil.org.au/sites/default/files/2020-08/AGC_DB_1_2017-18%20AU%20Environment.pdf

Gambling expenditure rates in Tasmania, as in the rest of the nation, have slowed over the past decade with real (as opposed to nominal) figures maintaining a largely downward trajectory since 2008-09.

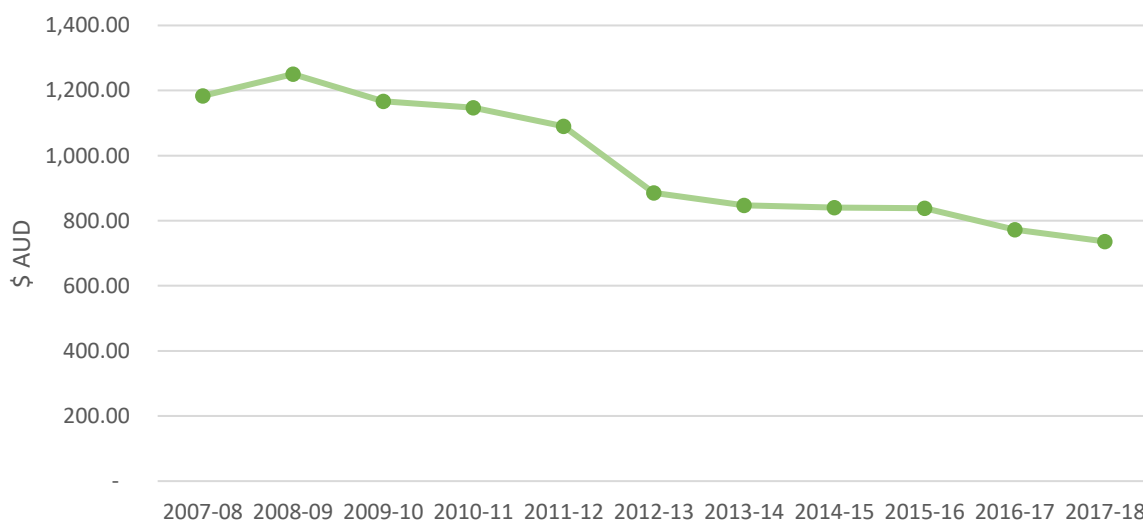
Tasmanians today spend the second lowest annual amount of any Australian jurisdiction on gambling products per capita (reported as a total of \$736.34 in the 2017-18 period – well below the national average)⁶ and Tasmanian per capita expenditure on gambling has had a downward trend for some time.

Figure 2: Per Capita Gambling Expenditure (Australia/Tasmania) 2017-18



Source Government Statistician, Queensland Treasury and Trade (2019) *Australian Gambling Statistics 1992-93 to 2017-18* (35th edition).

Figure 3: Real Per Capita Gambling Expenditure in Tasmania 2007-08 to 2017-18

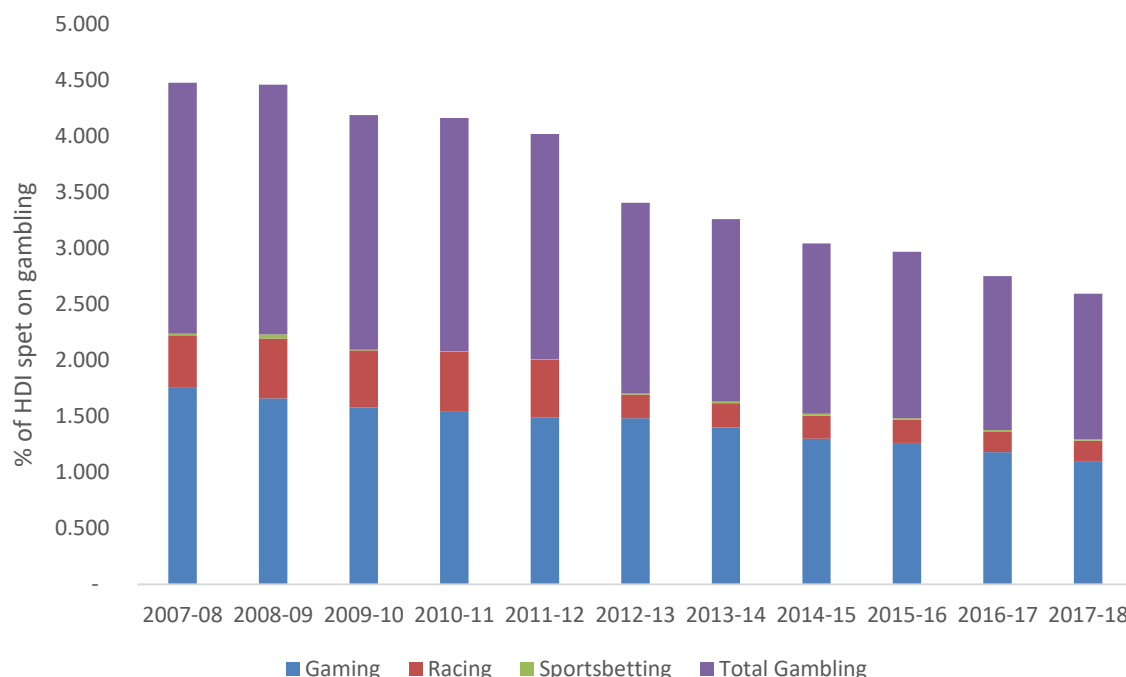


Source Government Statistician, Queensland Treasury and Trade (2019) *Australian Gambling Statistics 1992-93 to 2017-18* (35th edition).

⁶ Government Statistician, Queensland Treasury and Trade (2019), *Australian Gambling Statistics 1992-93 to 2017-18* (35th edition).

Other indicators, such as the proportion of Household Disposable Income (HDI) spent on gambling activities, have similarly seen decline in Tasmania – for both gaming and racing.

Figure 4: % of HDI spent on gambling in Tasmania 2007-08 to 2017-18



Source Government Statistician, Queensland Treasury and Trade (2019) *Australian Gambling Statistics 1992-93 to 2017-18* (35th edition).

Despite maturation of the land-based industry, gambling remains a relatively popular past-time with the majority of Australians, and in Tasmania this statement still holds true as well. Over 58% of Tasmanians were found to have participated in some form of gambling at the time of the Fourth SEIS in 2017 (the most popular form being lotteries).⁷

Much as expenditure however, participation rates have shown declines over time.

Overall gambling participation rates in Tasmania are amongst the lowest reported in Australia,⁸ and participation across most land-based gambling forms in Tasmania has decreased or remained flat over the past decade.⁹

In other recent Australian surveys participation rates, particularly for EGMs, lotteries and race betting, have shown further decrease,¹⁰ a trend the AGC considers will likely be replicated in the prevalence survey accompanying the Fifth SEIS.

As has been noted in previous SEIS studies, trends in Tasmania to date can be considered due to a number of factors – including the suite of harm minimisation measures present in the Tasmanian

⁷ ACIL Allen Consulting, Deakin University, Central Queensland University and the Social Research Centre (2017), *Fourth Social and Economic Impact Study of Gambling in Tasmania (2017): Volume 2 Prevalence Survey*, Tasmanian Department of Treasury and Finance.

⁸ See Australasian Gaming Council (2020), *A Guide to Australasia's Gambling Industries 2017-18*

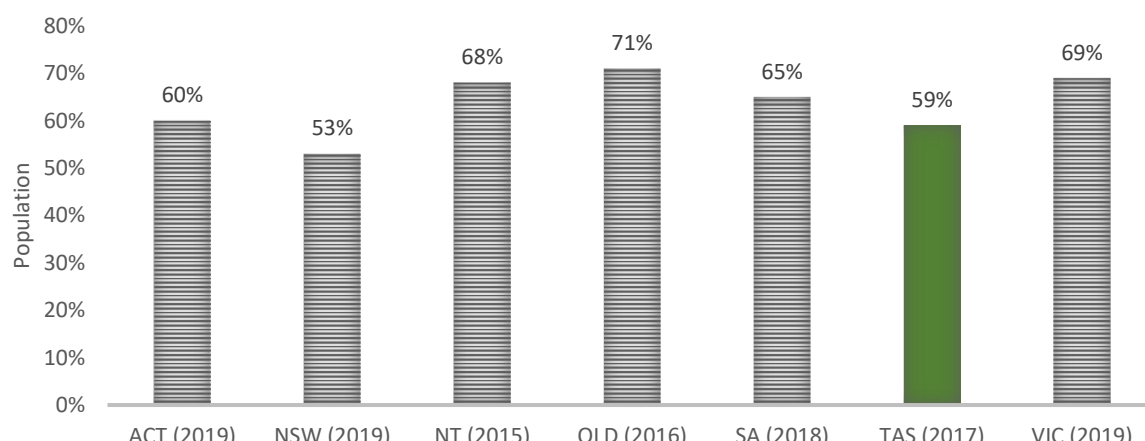
<https://www.austgamingcouncil.org.au/sites/default/files/2020-08/AGC_DB_9_2017-18%20AU%20Participation.pdf

⁹ Participation rates between the Third and Fourth Tasmanian SEIS for EGMs remained constant but showed decrease on previous periods.

¹⁰ See for instance Rockloff, M. et al (2020), *Victorian population gambling and health study 2018–2019*, Victorian Responsible Gambling Foundation and Browne, M. et al (2019), *NSW Gambling Survey 2019*, NSW Responsible Gambling Fund.

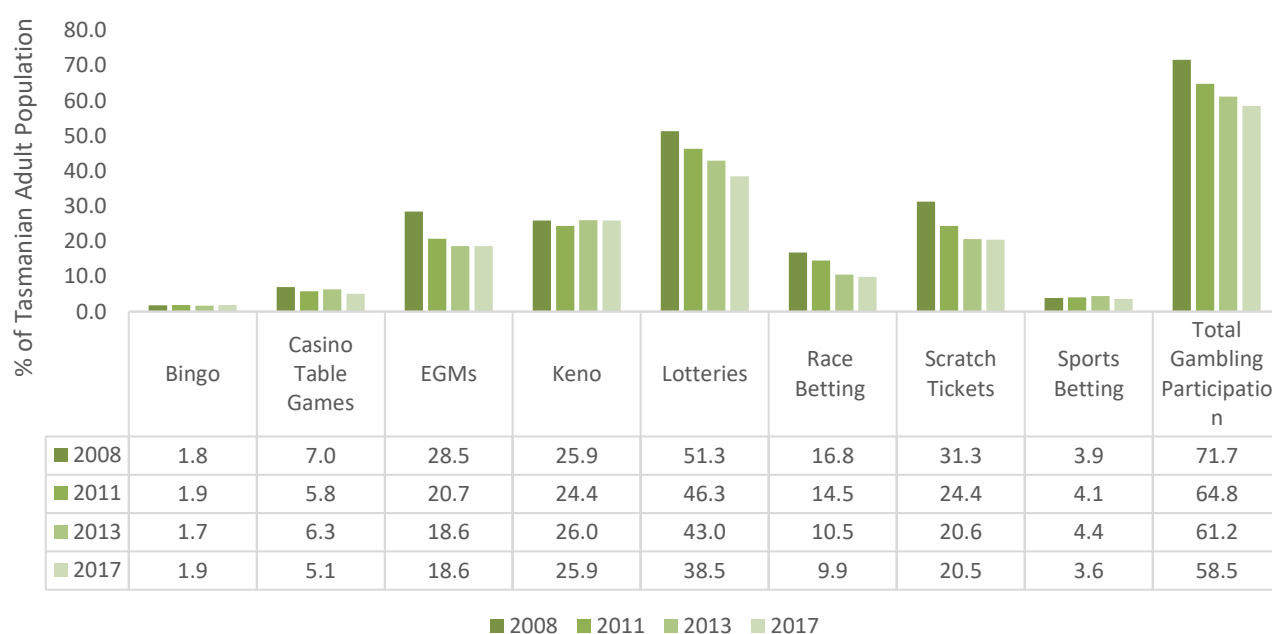
environment, some gambling activity moving online (and as such not captured in the data) and changing consumer preferences.¹¹

Figure 5: Aggregate Gambling Participation in Australia



Source: State/Territory Prevalence Surveys

Figure 6: Tasmanian Gambling Past Year Participation by Product 2008-2017¹²



Source: Fourth Social and Economic Impact Study of Gambling in Tasmania: Report 2 Prevalence Survey

On the national front, consumer preferences have been described as showing a generational shift aligned with the convenience, competitive products and pricing and ease of access enabled by technology.¹³ Gambling research has remarked on burgeoning interest, particularly from younger, male gamblers, for

¹¹ ACIL Allen Consulting, Deakin University, Central Queensland University and the Social Research Centre (2017), *Fourth Social and Economic Impact Study of Gambling in Tasmania: Volume 1 Gambling Industry Trends and Impacts*, Tasmanian Department of Treasury and Finance. p vi

¹² ACIL Allen Consulting, Deakin University, Central Queensland University and the Social Research Centre (2017), *Fourth Social and Economic Impact Study of Gambling in Tasmania: Volume 2 Prevalence Survey*, Tasmanian Department of Treasury and Finance. p7

¹³ Hing et al (2014), *Interactive Gambling*, Gambling Research Australia.

online app-based activities such as sports betting.¹⁴ In terms of national expenditure on gambling, sports betting remains one of the few forms to see growth over recent years (albeit from a very low base).

The Fourth SEIS did not reflect this broader Australian trend to a great degree in Tasmania. While reporting on a significant increase in online participation (predominantly with regard to lotteries and racing) use of this mode in Tasmania was still found to be relatively low.¹⁵ Overall, about one in ten Tasmanian adults reported having used the internet to gamble in 2017¹⁶ whereas participation rates for online gambling were almost double this amount in 2018-19 in Victoria.¹⁷

Notwithstanding 2017 survey findings and a lack of recent research into this subject specific to Tasmania,¹⁸ some three years on the AGC considers it likely that further increase will be found for the online sector in forthcoming Tasmanian surveys, much as increase was found in the previous survey – particularly amongst those using a mobile device.¹⁹

It may be considered particularly likely perhaps due to the influence of COVID-19 and increased consumer access of most products and services occurring via online modes as the result of pandemic restrictions.²⁰ One recent study suggests the pandemic is likely to be having a disruptive effect on retail wagering that could continue in the longer term. Research on the impacts of COVID-19 released by the Australian Gambling Research Centre for instance found that while more than three-quarters (77%) of participants had at least one active online account at the time of the survey, around one in three had signed up for a new online account/s during COVID-19 (5% did not have an active online account prior). Young men aged 18–34 years were the most likely sub-population to sign up for new accounts (comprising 79% of new account holders).²¹

Less is known about the proportion of land-based consumers who may have had recourse to online gaming during the pandemic – although it is instructive to note that ACMA reinstituted an earlier consumer campaign warning of the risks of illegal offshore gambling not long after the commencement of lockdowns.²²

¹⁴ See for instance Jenkinson, R., de Lacy-Vawdon, C. and Carroll, M. (2019), *Weighing up the odds: Sports betting and young men*, Australian Gambling Research Centre; Armstrong, A. and Carroll, M. (2017), *Sports betting in Australia*, Australian Gambling Research Centre and Hing et al (2014), *Interactive Gambling*, Gambling Research Australia.

¹⁵ ACIL Allen Consulting, Deakin University, Central Queensland University and the Social Research Centre (2017), *Fourth Social and Economic Impact Study of Gambling in Tasmania (2017): Volume 2 Prevalence Survey*, Tasmanian Department of Treasury and Finance. In 2017 6.2% of Tasmanians reported past year gambling online in the purchase of lottery tickets, 3.8% had bet on racing online and 2.6% had bet online on sports or other events.

¹⁶ Ibid p 16

¹⁷ Rockloff, M. et al (2020), *Victorian Population Gambling and Health Study 2018-19*, Victorian Responsible Gambling Foundation. This study reports that 19.2% of the Victorian population had placed bets online in the past year.

¹⁸ The University of Tasmania conducted scoping research on internet gambling with a relatively small sample in 2014 - see Palmer, C. (2014), *Sports betting Research*, Gambling Research Program, Department of Health & Human Services, Tasmania. This study did not, however, assess sports betting in Tasmania on a quantitative level. A small prior study in Tasmania conducted with a sample of university students found that the number of this group participating in online gambling was at least more than double the estimate made in the 2008 SEIS – see Ly, C. (2010), *An Exploratory Investigation of Online Gambling Amongst University Students in Tasmania*, Gambling Support Program Department of Health and Human Services.

¹⁹ ACIL Allen Consulting, Deakin University, Central Queensland University and the Social Research Centre (2017), *Fourth Social and Economic Impact Study of Gambling in Tasmania (2017): Volume 2 Prevalence Survey*, Tasmanian Department of Treasury and Finance. p66

²⁰ See for example Australian Communications and Media Authority (2020), *Trends in Online Behaviour and Technology Usage: ACMA Consumer Survey 2020*. This report notes an increase in lottery purchases of 18% via online modes during COVID-19. Other sources, for example Illion Alpha Beta <<https://alphabeta.com/illiontracking>> report large increases in online gambling during COVID-19 as do the Australian Gambling Research Centre Jenkinson, R. et al (2020) *Gambling in Australia During COVID-19*. The AGC would note however that most surveys currently available regarding change in the COVID-19 period are not the product of nationally representative sampling and, as such, may provide an indicator only.

²¹ Jenkinson, R. et al (2020) *Gambling in Australia During COVID-19*, Australian Gambling Research Centre. p7

²² Australian Media & Communications Authority, *Protect yourself from illegal gambling operators*, <<https://www.acma.gov.au/protect-yourself-illegal-gambling-operators#risks-of-using-illegal-providers>>

Economic Benefit Provided by Industry

Taxation

The 2019-20 Tasmanian Budget forecast gambling tax revenue (including casino tax and licence fees, lottery taxes and the Totalisator Wagering Levy) of over \$90 million over the forward estimates.

The largest proportion of this sum reflected taxes and fees related to casinos and EGMs (approximately \$50 million per year over the forward estimates).²³

Preliminary outcomes subsequently outlined in the Tasmanian Department of Treasury and Finance's Economic and Fiscal Update Report of August 2020 report a decline in gambling taxes for the 2019-20 year (as can be expected due to COVID-19 and industry closures) including a decrease of \$13.2 million due to the temporary closure of the casinos and other gaming venues and the waiving of casino licence fees.²⁴

Figures reported on the website of the Tasmanian Department of Treasury and Finance show taxation revenues for the 2019-20 period of \$24.19 million (hotels and clubs), \$14.27 million (casinos) and \$40.4 million (lotteries).²⁵

Gambling taxes constituted 5.8% of Tasmania's total state own taxation revenues in the 2017-18 period and 5.7% in 2018-19. Taxes on EGMs (51% of the state total in 2018-19) and lotteries (37% of the state total in 2018-19) constitute the bulk of these monies.²⁶

Direct gambling taxes alone however provide only a narrow reading of the contribution of the gambling industries to the economy of Tasmania.

Expenditure by businesses that provide gambling opportunities flow on to the broader state economy in a number of ways. A more fulsome picture includes, but is not limited to:

- Direct (and indirect) contributions to GST;
- Payroll taxes
- Fees and charges payable to local governments; and
- Company taxes.

Venues that provide gambling are purchasers of goods and services from local suppliers and contractors, they are hosts for live music and other events, they may have bars, bistros, restaurants and accommodation included in their offer.

Revenues from gaming can be intertwined with, and may assist in subsidising the provision of, a myriad of other hospitality offers available at the same site.

Submissions from industry are likely to provide more information on this count. As an example, data provided to the AGC from a sample of five hotel venues operating in Tasmania report a financial contribution from these businesses alone for FY2018 as:

- Over \$450,000 in payroll tax;
- Approximately \$6,500,000 in gaming levies and charges;
- Over \$250,000 in repairs and maintenance;
- Over \$500,000 in capital expenditure; and
- Over \$250,000 on live entertainment.

²³ *Tasmanian State Budget Papers* 2019-20 p107. At the time the Point of Consumption Tax on wagering was not reflected in the available figures and conversations were still ongoing regarding the Wagering Levy.

²⁴ Tasmanian Department of Treasury and Finance, *Economic and Fiscal Update Report – August 2020*, p30

²⁵ Tasmanian Department of Treasury and Finance, *Gaming and Wagering Industry Data*
<<https://www.treasury.tas.gov.au/liquor-and-gaming/legislation-and-data/gambling-industry-data/gaming-and-wagering-industry-data>>

²⁶ Australian Bureau of Statistics Cat. No. 5506.0 *Taxation Revenue, Australia, 2018-19*.

Community Support Levy (CSL)

The Community Support Levy (CSL) is a 4% levy applied to gaming profits at clubs and hotels in Tasmania.

Fund distributions are split between sport and recreation clubs (25%), charitable organisations (25%) and the majority of funds (50%) are put towards research into gambling and problem gambling support services.

In 2018-19 over \$4.1 m²⁷ was collected via the levy with over \$1.5 million disbursed to fund services assisting those affected by problem gambling, over \$1 million provided to charitable organisations, and a further sum of over \$1 million provided to sport and recreational charitable grants.

\$1.5 million is allocated annually from the CSL budget for Tasmania's Neighbourhood House program.

In 2019/20, grants totalling over \$215,000 were made available for equipment for sporting and community clubs and other community projects.

Grant funding was only considered for equipment or community projects that enhance the wellbeing of vulnerable groups and communities.²⁸

Community Support Levy 2019/20 Grants – Select Examples

- \$5,000 was granted to Queenstown Men's Shed for equipment, a local facility for men in regional Queenstown to socialise and support mental and physical health,
- \$1,907 was granted to Coast FM to purchase new studio equipment,
- \$19,800 was granted to Mental Health Families and Friends Tasmania for Mental Health First Aid training for their staff and
- \$9,838 was allocated to DRILL Performance Company, Hobart's youth dance company, to establish "Dance Nexus" a dance program for school children

Source: Department of Communities Tasmania, 2019-2020 Grants Programs Recipients

The CSL is not the only form of industry contribution to community.

Numerous voluntary returns through in kind giving, sponsorships and donations are documented in previous SEIS submissions and reports.

Non-financial contributions, while difficult to accord a dollar figure, are also important.

Venues that provide gambling also provide social spaces for community interaction. While a level of community debate about the desirability of gambling availability in such spaces is always likely to exist, for those who gamble recreationally and/or without harm (or for non-gamblers who choose to attend the venue for the other services provided) hotels and clubs (in particular) have a role in the community that goes well beyond a designation as gambling providers alone.

The AGC understands that submissions will be made by both THA and Federal Group and that they will likely provide further discussion/data with regard to this subject.

²⁷ *Tasmanian Liquor and Gaming Commission Annual Report 2018-19.*

²⁸ 'Projects Funded Under the 2019-2020 Community Support Levy Charitable Organisations Grants Program' – Communities Tasmania, June 2019 < https://www.communities.tas.gov.au/disability-community-services/gambling/grants/recipients_of_charitable_organisations_grant_programs/projects-funded-under-the-2019-2020-csl-grants-program >

Employment

Gaming Venues

Employment is another key indicator of the social and economic benefit arising from gambling but remains difficult to measure accurately.

Throughout Australia, employment data regarding the gambling industries is rarely made available in any regular, comprehensive or reliable manner.

Inquiry regarding the quantum of employment generated by the gambling industries has led over the years to the commission of industry funded survey reports generated by independent analysts (usually published on an ad hoc basis)²⁹ and, as has occurred in the Tasmanian environment (where the SEIS is one of the few ongoing sources of reporting on this matter) to a number of analyses of varying methodology that have provided a series of shrinking estimates, (usually focused solely on employment in the EGM sector).

In the Tasmanian context for example:

- One report sought to gauge employment using nationwide figures published by the ABS and apportioning FTEs in line with Tasmania's 1.57% share of the national economy (a method likely to be, at best, inaccurate and possibly misleading);³⁰
- and
- In 2017 Mangan estimated employment linked directly to the operation of gaming machines by comparing an average wage paid to gaming machine takings. This analysis came to a conclusion of approximately 200 FTE – a figure some 17% less than the total provided by the Fourth SEIS for EGM Operators alone (which used an analysis informed by consultation and calculated a total of 371 FTEs for Hotel and Club employment once Management, Keno, EGM technicians and Network Gaming were taken into account).³¹

Complicating factors in the generation of employment data for gaming venues include that:

- In the hotel/club sector employee duties are often split between gaming and roles associated with other hospitality functions; and
- Employment and shift allocations may fluctuate based on the characteristics of the venue – including with regard to opening hours, business demands and venue size.³²

While completed some time ago, a report by Price Waterhouse Coopers ("PWC") for the Australian Hotels Association still represents one of the largest survey studies of that industry sector³³ and provides some insights into employment in the Tasmanian hotel sector.

²⁹ See for example PriceWaterhouseCoopers (2009), *Australian Hotels: More than Just A Drink and A Flutter*, Australian Hotels Association (National); PriceWaterhouseCoopers (2018) *Australian Hotels Association 2018 Member Survey Results and Findings*; Australia Hotels Association (National).South Australian Centre for Economic Studies (2016), *Economic Contribution of the Hotel Industry in South Australia*, Australian Hotels Association (SA) and The Centre for International Economics (2018), *Economic Contribution of the Australian Gaming Machine Industry*, Gaming Technologies Association.

³⁰ Minshull, L. and Browne, B. (2017), *Gambling on the future: Do poker machines represent a net gain or loss to the Tasmanian economy?*, The Australia Institute.

³¹ Mangan, J. (2017) *Removing poker machines from hotels and clubs in Tasmania: Economic considerations*, University of Queensland. This methodology is similar to that used in a more recent report by Minshull, L. and Browne, B. (2020) *Tasmania can't afford a bet on the pokies*, The Australia Institute.

³² The Centre for International Economics (2018) *Economic Contribution of the Australian Gaming Machine Industry*, Gaming Technologies Association.

³³ Sampling for this survey included 60 hotels in Tasmania in both metropolitan and regional areas and both with and without EGMs.

The PWC report expressed reservations concerning ABS survey data.³⁴ Much as is noted in the Fourth SEIS, ABS series reporting on gambling categorise workers based on their major role and as such do not include the contribution of people for which gaming is not their primary role.³⁵ This likely results in underestimates in ABS data series reporting on the sector.

Hotel staff often engage in multiple duties with some staff dedicated solely to gaming while other licensed staff work across the bar, the gaming room and the keno outlet etc... The industry is also highly casualised and, as a more recent national survey commissioned by the Australian Hotels Association found, employs a high percentage of women and those in the 25-44-year-old age group.³⁶

Flexible employment structures are suited to the needs of the hotel industry. For example, hotels may require all of their permanent and casual staff to work on a Saturday night, but only one or two permanent staff to work during weekdays. The casual or part-time positions which the hotels offer, may often suit students looking for work outside their studies, or full-time workers looking to earn additional income. The industry therefore plays a vital role in providing casual employment to persons balancing other commitments.³⁷

The 2009 national survey by PWC found, overall, that hotels with gaming in Tasmania had approximately 21 FTEs while those without had 12.2 FTEs. It is understood that these numbers do not relate to gaming staff alone (and may have been skewed by a proportion of responses from larger venues leading to overestimate) but as mentioned previously, the composition of the industry has not changed markedly in over a decade.

Likely a true figure lies somewhere between comprehensive industry survey data of this nature and the lower figures reported by the ABS.

The Value of Headcounts – A Limited Case Study

By way of illustration, the AGC has recently been provided with some simple employment data from five Tasmanian member venues of varying size and staffing requirements in the Hotel sector. The data relates to the week ending 11 October 2020, when the total workforce in these properties included 114 people:

- 37 Salaried employees
- 3 Full-Time employees
- 9 Part-Time employees
- 65 Casual employees

Given restrictions in place at the time it is likely that these numbers are lesser than would ordinarily be the case.

Data provided by the Tasmanian government considered in conjunction with these figures can provide some insights into overall employment (by headcount) in Tasmanian hotel venues.

Applying the average of the employees in the sample group (22.8) in total and by role profile against the 72 venues with Keno, EGMs and TAB facilities in the state provides an estimate of approximately 1,650 people employed in these venues in Tasmania alone.

If an average is applied to venues with EGM's (93) the estimate of those employed is over 2,100.

³⁴ PriceWaterhouseCoopers (2009), *Australian Hotels: More than Just A Drink and A Flutter*, Australian Hotels Association (National) pp 6-7. While this comment refers to previous releases (chiefly the now discontinued ABS 8687.0 *Clubs, Pubs, Taverns and Bars in Australia* last undertaken in the 2004-05 period) it may apply equally to ABS Census figures.

³⁵ ACIL Allen Consulting, Deakin University, Central Queensland University and the Social Research Centre (2017) *Fourth Social and Economic Impact Study of Gambling in Tasmania (2017): Volume 1 Gambling Industry Trends and Impacts*, Tasmanian Department of Treasury and Finance p55.

³⁶ PriceWaterhouseCoopers (2018) *Australian Hotels Association 2018 Member Survey Results and Findings*, Australia Hotels Association (National).

³⁷ PriceWaterhouseCoopers (2009) Op Cit.

Total Pubs, Clubs & Hotels (Gaming Facilities)	151
- Total with Keno	151
- Total with EGM's	93
- Total with TAB Facilities	98
- Total with Keno, EGM's & TAB	72

(Source: Department of Treasury and Finance, Liquor and Gaming, Tasmania)

Estimated Hotel Employees in Venues with Keno, EGM's & TAB (72)	1,642
- Total Salary/Full Time	576
- Total Part Time	130
- Total Casual	936

Estimated Hotel Employees in Venues with EGM's (93)	2,120
- Total Salary/Full Time	744
- Total Part Time	167
- Total Casual	1,209

Such a straightforward calculation admittedly makes several assumptions regarding venue size, total hospitality offer and staffing requirements, but it is perhaps worth viewing in context with previous SEIS employment estimates:

- The 2008 SEIS estimated approximately **4,000** people employed in venues that offer gaming facilities plus those in the racing and wagering industry.
- In 2012 the Second SEIS found that “up to **4,780** people” are directly employed in the gaming industry acknowledging that many of these may have mixed roles, such as bar service in addition to gaming.
- The 2015 the Third SEIS found **4,061** people employed in Tasmania’s gaming industry, “with the majority (94%) employed in gaming, casinos and race wagering”.

The Fourth SEIS completed in 2017 was somewhat of a departure from previous estimates provided with regard to employment in Tasmania. It presented data primarily on full-time equivalent (FTE) roles linked directly to gaming with an estimate of **1,135³⁸** FTE.

FTE is certainly an important economic indicator, but a headcount remains illustrative of the extent of employment provided by the industry within the community.

Those requiring and preferring flexible work – including those balancing parental duties with work, full or part-time university students and semi-retired individuals make up a large percentage of the part-time and casual workforce.

A mix of duties on shift may not be readily separated out for statistical purposes, but the value of any role in total benefits employees and adds again to their purchasing power within the economy.

³⁸ ACIL Allen Consulting, Deakin University, Central Queensland University and the Social Research Centre (2017), *Fourth Social and Economic Impact Study of Gambling in Tasmania (2017): Volume 2 Prevalence Survey*, Tasmanian Department of Treasury and Finance.

Further, the mental health, financial and cultural benefits of employment, regardless of how many hours worked per week, remain of importance, and perhaps of ever-increasing importance, in the current climate.

The broader contribution associated with every person employed (directly or indirectly) by the gaming industry should be considered when weighing benefits against costs associated with gambling.

Both Federal Group and THA are likely to provide further employment data for consideration to the SEIS.

Wagering

The wagering (racing and sports betting) sector also contributes directly to this sphere. Tabcorp, a member of the AGC, have reported a workforce of 50 direct employees in Tasmania,³⁹ while industries closely interconnected with wagering create even greater scope for employment.

For example, in August 2020, the Minister for Racing in Tasmania announced that there are 5,000 people directly participating in the Tasmanian racing industry.⁴⁰

The Economic Impacts of COVID-19

Much as any other hospitality focussed industry, land-based gambling venues have experienced significant negative impact from the spread of COVID-19.

All gaming in Tasmania was suspended from 23 March to late June 2020, causing unprecedented disruption to businesses and employees alike.

The state's largest provider, Federal Group, announced at the commencement of the lockdowns that 1,500 Tasmanian jobs would be impacted by stand downs as a direct result of venue closures during the pandemic.⁴¹

Similarly, all Tasmanian racing codes were suspended from March to May 2020 (Tasmania was the only jurisdiction in Australia to suspend all racing for several weeks at the height of the pandemic) and both Australian and International sport encountered periods of suspension or restriction.

In Tasmania at time of writing, public health restrictions place a limit of 250 people per indoor space and there may be no more than one person per two square metres indoors.

Retail TAB venues currently operate with a limit of one person per two square metres with 1.5m social distancing in place.⁴²

Associated business operations including restaurants, bistros accommodation and other tourism and leisure options are also impacted with many not yet able to operate in full.

The impact of the complete suspension of both international and domestic tourism in Australia (the latter only now being lifted to some degree in Tasmania) due to COVID-19 has also been particularly significant.

Tasmania is the second most reliant jurisdiction in Australia on domestic and international tourism – revenues that make up over 10% of the state's GSP.⁴³

³⁹ Information supplied by Tabcorp Holdings Limited (October 2020).

⁴⁰ Tasmanian Government, 'Further increase in stakes for Tasmanian Racing' – Statement by Minister Howlett, August 16, 2020 < http://www.premier.tas.gov.au/releases/further_increase_in_stakes_for_tasmanian_racing >

⁴¹ The Advocate 'Federal Group to stand down 1,800 employees' - 23 March 2020
<<https://www.theadvocate.com.au/story/6692112/federal-group-to-stand-down-1800-employees>>

⁴² Tasmanian Government, *Business Restrictions: Coronavirus* < <https://coronavirus.tas.gov.au/business-and-employees/business-restrictions> >

⁴³ Tourism Tasmania, *Tourism Fast Facts*, <<https://www.tourismtasmania.com.au/industry/facts>>

The Tasmanian Department of Treasury and Finance advise in their Economic and Fiscal update for August 2020 that “while many of the public health measures have started to ease in Tasmania over the past two months, they continue to have an adverse impact on the economy, particularly on the retail, hospitality and tourism sectors”.⁴⁴

Household consumption is expected by the Department to have reduced in 2019-20 and it is noted that consumer activity will remain dampened well into 2020-21, with consumer confidence expected to remain low for some time to come.⁴⁵

With regard to employment the Department have noted it likely that:

“the full impact of the pandemic and associated measures are not apparent in Tasmania’s official labour market statistics due to a range of factors, but most notably due to the impact of the Australian Government’s JobKeeper and JobSeeker initiatives. JobKeeper has kept some people who would otherwise be considered unemployed, categorised as employed by the ABS. The change to mutual obligations for JobSeeker has resulted in some unemployed people also being classified as not in the labour force. It is estimated that Tasmania’s ‘effective’ unemployment rate would have been approximately 11 per cent in June 2020”.⁴⁶

A commendable level of support has been forthcoming from Government at both Federal and state level throughout the pandemic to assist Tasmanian businesses, employees and communities through this very difficult time. Industry have played their part also.

In Tasmania industry efforts to support employees beyond those initiatives created by Government have included:

- access to leave provisions and counselling;
- movement of those unable to work in their customary roles to other permitted duties (including cleaning/hygiene teams); and
- ongoing support for workers not able to access Federal support initiatives.

Activity post lockdown

There has been a degree of recent comment regarding the emergence of the industry in the earlier months following lockdown and the subsequent increase seen in expenditure in some jurisdictions.⁴⁷

In Tasmania, Department of Treasury and Finance statistics for September 2020 show increase for EGM expenditure over the July, August and September months (an increase of 26%, 20% and 23% on the same months in the previous year, respectively).

However, the AGC would note that any increase over recent months should be held in balance with zero expenditure in April and May 2020 as well as significantly decreased expenditure in March 2020 (when expenditure showed a decrease of 36.9% on the previous year) and June 2020 (when expenditure showed a decrease of 80.4% on the previous year).

If comparing the relevant period of COVID-19 impact with the same period in the previous year (March to September) Tasmanian EGM expenditure is -33.4%.

⁴⁴ Tasmanian Department of Treasury and Finance, *Economic and Fiscal Update Report - August 2020* p6

⁴⁵ Ibid p 7

⁴⁶ Ibid p 9

⁴⁷ Increases in expenditure have been reported in Queensland, NSW and Tasmania to date. *Tasmanian Pokie Machine Losses Continue to SkyRocket*” Andrew Wilkie MP, Media Release 23 October 2020

The impacts of COVID-19 will also be discussed further in this submission on harm minimisation considerations.

From a purely economic standpoint it remains likely that, in the longer term, current expenditure increases are an anomaly - a bubble that will deflate as discretionary funds saved over the lockdown period diminish.

There will also likely be much broader contractions in consumer spending (both in gambling and more generally) as Federal Government measures instituted to maintain income are reduced and eventually removed.

In the short term it is perhaps understandable that after a period of lockdown (with the social isolation entailed) that a greater number of consumers may be prompted to attend available Tasmanian social settings and engage in a range of recreational activities unavailable for quite some time.

It is also possible that gaming may have taken the place of other entertainment options, travel and leisure choices that remain unavailable (with border restrictions and other limitations still in place).

Longer-term, impacts of the pandemic upon consumers, gambling expenditure and gambling participation levels largely remain to be seen.

The business and social environment is also changing in a manner that will likely affect the industry. For instance:

- Cashless and online transactions are for many businesses (and consumers) becoming the new norm,

and
- For some demographics - particularly those in older age brackets and/or those more concerned about or more susceptible to infection, the current absence of any vaccine means that places of social gathering may become much less attractive destinations.

In short, COVID-19 has restricted movement, hastened acceptance and use of online transactions, and impacted the psyche and usual behaviours of the entire population.

Ongoing changes to the gambling environment are likely to follow over many months more.

Harm Minimisation in Tasmania and COVID-19

Harm minimisation has been at the forefront of Tasmanian discussions of gambling for some time.

The positive contributions to consumer enjoyment, employment and the economy mentioned previously in this submission are juxtaposed with a very clear understanding on the part of the AGC that while the greatest number of Tasmanians were found to be either “non gamblers” or “non problem gamblers” in the 2017 prevalence survey, a relatively small but significant proportion of the population do experience problems associated with their gambling activity.

The problems experienced may range in severity, but have the capacity to impact on financial, psychological, social and familial well-being.

Tasmania at the time of the last prevalence survey was home to a similar (nominally lesser) proportion of those experiencing more severe problems with gambling (PGSI 8+) than in other states and territories, while the number of those in the moderate risk PGSI category were at the lower end of the scale of results from other jurisdictions.

Table 2: Problem Gambling Severity Index Estimates by Australian State/Territory (most recent published estimates) ⁴⁸

	Year	Sample	Non gambling %	Non problem gambling (%)	Low risk (%)	Moderate Risk (%)	Problem Gambling (%)	Mode
ACT	2019	10,000	40.0	49.6	7.0	2.5	0.8	Mobile/Landline (70/30)
NSW	2019	10,012	46.7	42.9	6.6	2.8	1.0	Mobile/Landline (70/30)
NT	2015	4,945	24.0	64.3	8.1	2.9	0.7	Mobile/Landline (24/76)
QLD	2017	15,000	29.2	61.4	6.4	2.5	0.5	Mobile/Landline
SA	2018	20,017	35.3	57.2	4.6	2.2	0.7	Mobile/Landline (50/50)
TAS	2017	5,000	41.5	51.8	4.8	1.4	0.6	Mobile/Landline (50/50)
VIC	2019	10,638	31.0	59.2	6.7	2.4	0.7	Mobile/Landline (50/50)

Note: Some caution is advised in comparisons. Although all surveys included used the PGSI, there was some variation in the possible responses to PGSI questions, the survey mode and the time periods in which the surveys were conducted.

Tasmanian policy makers, regulatory authorities and industry bodies have acted consistently over the years to ensure that there is in place an extensive suite of harm minimisation initiatives and gambling controls that seek to prevent gambling related problems, minimise the harms that may arise and provide means by which those experiencing issues related to their gambling may be alerted to and directed towards helpful treatment options.

While making no judgment on the efficacy of individual measures⁴⁹ the 2017 “Stenning” report on this subject noted of the controls in place that a significant proportion “appear to be more comprehensive in their coverage and more stringent than those in the other jurisdictions analysed”.⁵⁰

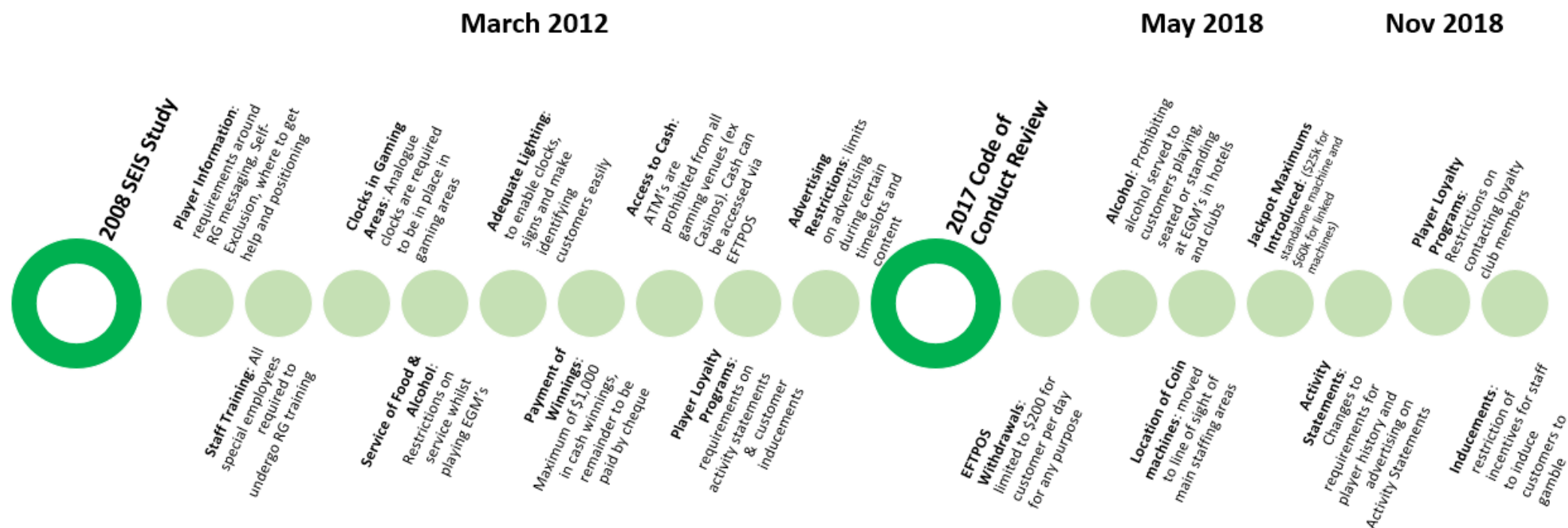
Further regulatory controls have since been added subsequent to the 2017 *Review of the Tasmanian Mandatory Code of Conduct*.

⁴⁸ Sourced from Paterson, M., Leslie, P., Taylor, M. (2019), *ACT Gambling Survey 2019*, ACT Gambling and Racing Commission with updates to data for NSW and Victoria taken from Browne, M. et al (2019), *NSW Gambling Survey (2019)*, NSW Responsible Gambling Fund and Rockloff, M. et al (2020), *Victorian population gambling and health study 2018–2019*, Victorian Responsible Gambling Foundation, Melbourne.

⁴⁹ As has been noted in the NSW environment, “Currently, the outcome of responsible gambling strategies are assessed in the aggregate by measuring shifts in the number of identified cases within the population under study. Under these circumstances it becomes difficult to disentangle the effects of one strategy in the context of multiple concurrent strategies” Blaszczyński et al (2015), *Gambling Harm Minimisation Report*, NSW Government Department of Trade & Investment Office of Liquor, Gambling and Racing p25

⁵⁰ Stenning and Associates (2017), *Contemporary gambling harm minimisation policies and initiatives*, Tasmanian Liquor and Gaming Commission p v

Figure 7: Overview of Harm Minimisation Developments in the Tasmanian Gaming Environment from 2008



Tasmanian hotel/club venues today have some of the strictest restrictions in Australia particularly with regard to:

- Access to cash in venue (with no ATMs on premise and a strict withdrawal limit of \$200 per day); and
- Strict prohibitions on the service of food and alcohol to those playing EGMs,

Additionally, Tasmanian EGMs are subject to number of further restrictions that are not replicated in other states/territories. The Tasmanian Appendix to the Gaming Machine National Standard states explicitly that the standards applicable “may well be in excess of those in other jurisdictions.”⁵¹

⁵¹ Australian and New Zealand Gaming Machine National Standard – Tasmanian Appendix Version 10.8 pT15

These additional EGM restrictions in place include:

- A prohibition on Bank Note Acceptors (applicable to EGMs in hotel and clubs – Tasmania is now the only state where this restriction is in force);
- Provision of Player Information Displays (“PIDs” – only elsewhere available in Victoria);
- A prohibition on EGM games that require further credits to be bet to access additional features or multiple feature games within a feature; and
- Close regulatory scrutiny of audible affirmations where the net win of any play is less than the total credits bet as well as prohibition on “congratulatory” messages with regard to these events.⁵²

Tasmania, much as most states and territories, requires staff training in the responsible conduct of gambling with a focus on identification of behaviour indicative of problematic play⁵³ and moved, before a number of other jurisdictions, to implement a centralised self-exclusion process with an online portal, access to third party exclusion for families and affected others and provision for venue-initiated exclusion.⁵⁴

While self-exclusion numbers reported by the Tasmanian Gambling Exclusion Scheme have reduced over recent years, venue-initiated exclusions have risen significantly per annum since 2017.⁵⁵

As well as a focus on gaming, and in particular on EGM harm minimisation measures, in the Tasmanian environment, the state has joined with other jurisdictions in instituting the National Consumer Protection Framework for Online Gambling.

Alongside adherence to the Tasmanian Mandatory Code of Conduct, harm minimisation actions undertaken by wagering and lotteries providers include:

- Tabcorp’s dedicated microsite “TAB Assist” - which offers information resources, a range of tools to assist customers in setting and maintaining limits on their wagering spend, and information about self-exclusion and counselling services.⁵⁶
- The Lott’s “Play Responsibly” program for lotteries - which allows online lottery players (the largest online demographic in Tasmania) to set spend limits, self-exclude from online play and opt out of marketing communications. (Retail players may also cancel card memberships and unsubscribe from direct messaging).⁵⁷

This submission does not intend to canvas the range of other measures advocated over time in Tasmania (a number of which, such as debate on bet limits, have been the subject of previous AGC submissions to Federal Government inquiries).

Rather, we would note that as a number of Australian governments continue to review their policy settings with regard to gambling and, as technology continues to play an increasing role in the global harm minimisation discussion, there is a likelihood that technology will play a larger role in the long term future Tasmanian harm minimisation environment also. For example:

- In South Australia Facial Recognition Technologies (FRT) are being instituted as part of a package of reforms;⁵⁸

⁵² *Australian and New Zealand Gaming Machine National Standard – Tasmanian Appendix Version 10.8*

⁵³ Tasmanian Department of Treasury and Finance, *Responsible Conduct of Gambling*, <<https://www.treasury.tas.gov.au/liquor-and-gaming/gambling/responsible-conduct-of-gambling>>

⁵⁴ Tasmanian Department of Treasury and Finance, *Tasmanian Gambling Exclusion Scheme* <<https://www.treasury.tas.gov.au/liquor-and-gaming/gambling/reduce-harm-from-gambling/tasmanian-gambling-exclusion-scheme>>

⁵⁵ Tasmanian Department of Treasury and Finance, *Gaming and Wagering Industry Data* <<https://www.treasury.tas.gov.au/liquor-and-gaming/legislation-and-data/gambling-industry-data/gaming-and-wagering-industry-data>>

⁵⁶ Tabcorp Holdings Limited, *TAB Assist* <<https://responsiblegambling.tab.com.au/tab-assist>>

⁵⁷ The Lott, *Responsible Play* <<https://www.thelott.com/about/responsible-play>>

⁵⁸ South Australian Department of Consumer and Business Services < <https://www.cbs.sa.gov.au/gambling-reforms> >

and

- As digital transactions gain traction with consumers there is scope for discussion of how such payment systems may contribute to consumer protection efforts in gambling.⁵⁹

This latter matter is of particular relevance given the impacts of COVID-19. Consumers have been hastened to expect, and have become acclimatised to, contactless payment options.

Land-based businesses face some distinct disadvantages against digital competitors as technology, and mobile technologies advance. These same land-based businesses also have a strong suite of harm minimisation measures in place and an ability to respond directly to customer observations, interacting in a setting where the customer is physically present.

Harm Minimisation - Considerations relevant to COVID-19

With the caveat that research on gambling behaviours during COVID-19 is only just beginning to be published and there are no nationally representative studies available, preliminary results of one Australian study by the University of Sydney has noted that, for the majority of respondents, gambling expenditure reduced significantly over the lockdown period and most participants reported expecting to resume their normal gambling patterns post-shutdown.⁶⁰

The Australian Gambling Research Centre, while surveying a cohort more likely to be previously involved in online gambling, found a greater move towards maintenance or even increase of gambling activity during restrictions.⁶¹

While evidence to date is limited it appears that for a large proportion of consumers, lockdowns and restrictions were a period of significantly lesser expenditure. For others, isolation and stress, as well as familiarity with online access, are indicated as reasons for increased access, expenditure and heightened risk/problems during the lockdown period.⁶²

As previously noted, recent expenditure increases have also been seen post lockdown. While likely to represent, in the main, a short lived expression of pent-up demand for leisure activity and social gathering, understanding of what is occurring in the gambling environment in Australia both during, and as a result of COVID-19, is still evolving.

More broadly, the economic and other health impacts of COVID-19 are likely to engender higher rates of anxiety, depression uncertainty and financial stress that may endure within the community for some time.⁶³ As such, expanded, targeted information campaigns and resources should be considered more immediately to assist in preventing the incidence of problems with gambling related to COVID-19 stressors and furthering community awareness of the help and support services available.⁶⁴

⁵⁹ Gainsbury, S. and Blaszczynski, A. (2020), *Digital Gambling Payment Methods: Harm Minimisation Policy Considerations* <<https://doi.org/10.1089/glr2.2020.0015>>

⁶⁰ See Gainsbury et al (2020) *The Impact of COVID-19 on Gambling in Australia*, University of Sydney Gambling Research and Treatment Clinic <<https://www.sydney.edu.au/content/dam/corporate/documents/brain-and-mind-centre/usyd-covid-gambling-research-report-aug-2020.pdf>> Noting that some increases were found for those at higher risk levels.

⁶¹ See Jenkinson, R. et al (2020), *Gambling in Australia during COVID-19*, Australian Gambling Research Centre. Note that this survey had a high response rate from males (73%) and younger males aged 18-34 (56%) in particular.

⁶² Jenkinson, R. et al (2020), Op Cit.

⁶³ See for example Black Dog Institute (2020), *Mental Health Ramifications of COVID-19: The Australian context* <http://www.blackdoginstitute.org.au/wp-content/uploads/2020/04/20200319_covid19-evidence-and-recommendations.pdf>

⁶⁴ Tasmania has invested in the "Know Your Odds" campaign a multi-faceted information and education resource but the AGC has found little recent public reporting about this resource and/or its messaging activity and social media presence.

Refresher training – or further training in mental health awareness - could also be considered for staff working at land-based venues.

It is well established that gambling related problems are highly comorbid with other health issues. Venue staff remain at the front line in hospitality managing the increased day to day requirements of health measures instituted to counteract the spread of COVID-19 as well as interacting daily with consumers across multiple points of interface.

Given the complex array of interpersonal and intrapersonal health issues that could emerge in the current climate, behaviours indicative of problems (whether linked to gambling or linked to the many stressors existing in the broader environment) suggest that enabling greater and earlier identification opportunities and access to integrated help services should be matter of ongoing priority.

Ultimately, however as noted in a 2018 NSW report:

The harm reduction framework for the future is one that prioritises excessive demand reduction at the individual level in light of new and emerging technologies that will make it increasingly difficult to impose regulations on gambling products. The view is held that strategies that aim to reduce or control the supply of gambling may become even less effective in a future world where technology and the internet provide boundless opportunities for gambling.⁶⁵

Conclusions

The Fifth SEIS is being conducted in a unique environment when the changes that must be encompassed are more broad reaching and dynamic than have occurred at any time previously in the history of regulated gambling in Australia.

Prior to COVID-19 the gambling environment was already changing throughout Australia and, until such time as the broader economic environment stabilises and sufficient inquiry has been conducted, a great many unknowns will impact conclusions.

Tasmania has a long history of concerted action in harm minimisation with strong controls in place and an environment that has, over a period of many years, shown maturation in both expenditure and participation levels on most land-based forms but the broader harm minimisation environment is moving, as is society, towards a period where technology and will likely be at the core of both business sustainability and actions to further public health.

While the proportion of Tasmanians experiencing difficulties related to gambling remains, on current data, relatively small there are immediate actions in public health education messaging and training for staff that can be implemented to further assist those patronising venues during what remains an undoubtedly challenging period for all Australians.

The gambling industries in Tasmania are well aware of an ongoing imperative to continue to reduce and ameliorate the harms that are related to excessive gambling and remain an important economic contributor to Tasmania as a state, as well as the employers of a significant number of Tasmanians.

Given the diverse offer of Tasmanian businesses that provide gambling as part of the activities available on site and their role in the community, a socially responsible, vibrant hospitality industry is a vital contributor as the state begins the task of rebuilding a healthy economy and society in the post-pandemic world.

⁶⁵ Blaszczyński et al (2015), *Gambling Harm Minimisation Report*, NSW Government Department of Trade & Investment Office of Liquor, Gambling and Racing. p13

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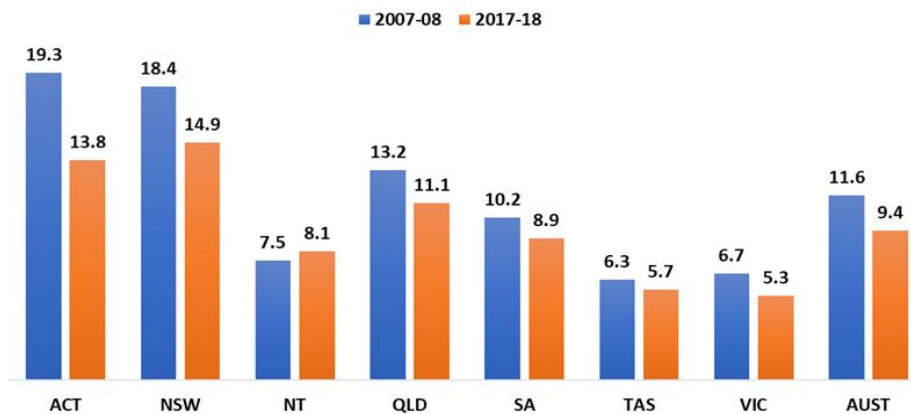
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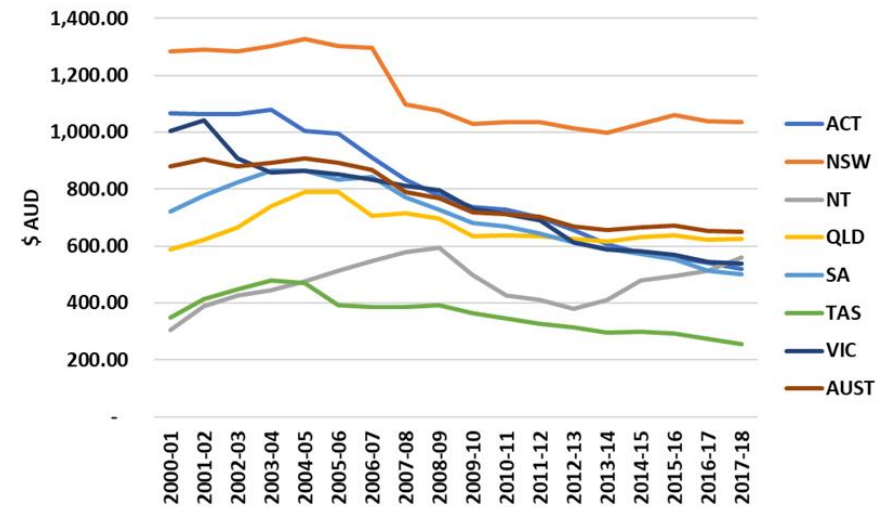
Appendix One: Australian Hotel and Club EGMs – A Comparison of Select Data/Provisions

State	Hotel/Club State EGM Cap ⁱ	Hotel/Club EGM Venue Cap	Operational EGMs (at 30 June 2018)	Operational EGMs per 1,000 Adults (18+) ⁱⁱ	EGM Participation Rate ⁱⁱⁱ	Hotel/Club EGM Per Capita Expenditure (2017-18)	Max. Bet	EGM PID	Winnings to be Paid by Cheque	Bank Note Acceptors	ATM and EFTPOS Limits
ACT	4,000 ^{iv}	2-10 Class B machines per hotel ^v No club cap ^{vi}	Hotels: 50 Clubs: 4,412	13.8	20%	\$519.06	\$10	No	Yes – wins \$1,200 +	Yes - up to \$50 note	\$250 ATM withdrawal limit (per card per day).
NSW	97,500 ^{vii}	30 EGMs per hotel 450 EGMs per club ^{viii}	Hotels: 22,652 Clubs: 69,466	14.9	16%	\$1,035.01	\$10	No	Yes –wins \$5,000 +	Yes – up to \$100 note	No specific withdrawal restrictions (customer financial institution limit only).
NT	1,734 ^{ix}	20 EGMs per hotel 55 EGMs per club	Hotels: 651 Clubs: 841	8.1	23%	\$560.41	\$5	No	Yes –wins \$500 +	Yes – up to \$100 note	\$200 ATM withdrawal limit (per transaction).
QLD	44,205 ^x	45 EGMs per hotel 300 EGMs per club	Hotels: 19,166 Clubs: 23,011	11.1	25%	\$624.21	\$5	No	Licensee may set the limit payable by cash to a maximum of \$5,000	Yes – up to \$50 note	No specific withdrawal restrictions (customer financial institution limit only).
SA	12,086 ^{xi}	40 EGMs per hotel ^{xii} 40 EGMs per club	Hotels: 10,369 Clubs: 1,773	8.9	19%	\$500.30	\$5 ^{xiii}	No	No mandatory limit – customer can request cheque	Yes (from 2020) – up to \$50 note ^{xiv}	\$250 ATM/EFTPOS withdrawal limit (per card per day). ^{xv}
TAS	2,500	30 EGMs per hotel 40 EGMs per club	Hotels: 2,218 Clubs: 127	5.7	19%	\$256.91	\$5	Yes	Yes - wins \$1000+	No	No ATMs \$200 EFTPOS withdrawal limit (per card per day).
VIC	27,372 ^{xvi}	105 EGMs per hotel 105 EGMs per club	Hotels: 13,604 Clubs: 12,780	5.3	14.1%	\$539.04	\$5	Yes	Yes - wins \$2,000+ ^{xvii}	Yes – up to \$50 note	No ATMs \$200 EFTPOS withdrawal limit (per transaction). \$500 total withdrawal limit (per card per day) from September 2018. ^{xviii}

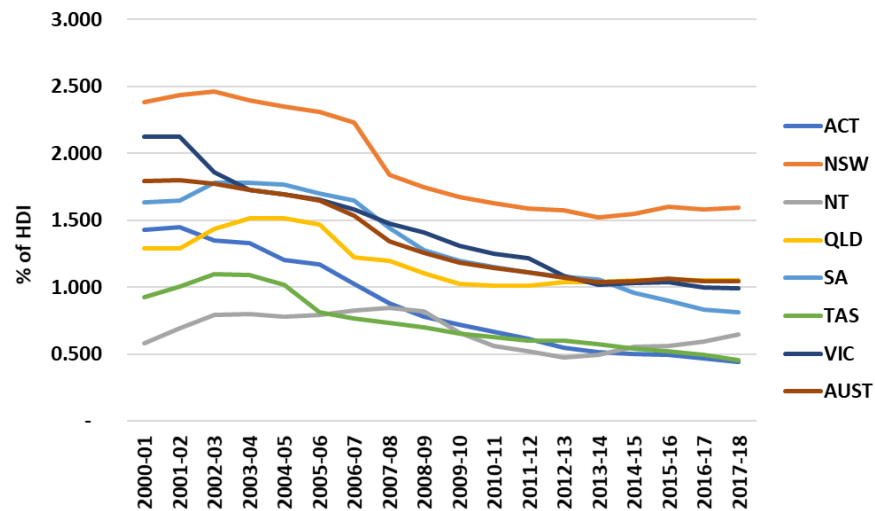
Operational Hotel/Club EGMs per 1,000 Adults (2007/08 to 2017/18)^{xix}



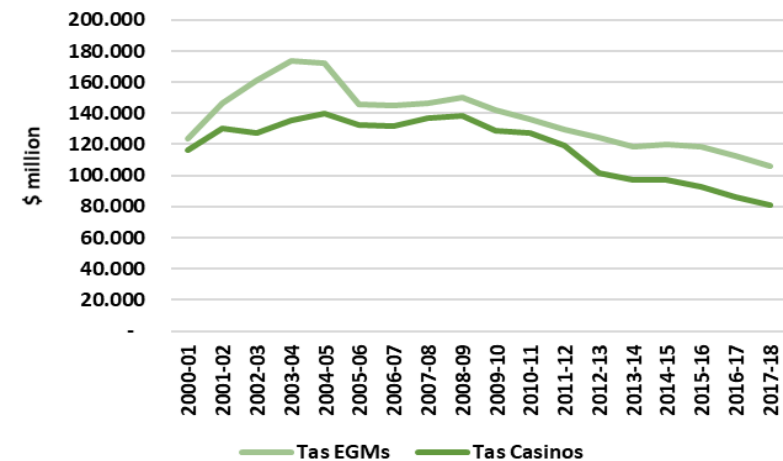
Real Per Capita EGM Expenditure 2000/01 – 2017/18 (\$AUD)



EGM Expenditure as a % of Household Disposable Income 2000/01 – 2017/18



Real Expenditure Tasmanian EGMs and Casinos 2000/01 - 2017/18



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- ⁱ Please note that this figure refers to caps on EGMs in hotels/clubs only – further community, regional and municipal caps within the jurisdiction may also apply.
- ⁱⁱ As at 30 June 2018. EGM numbers and adult population statistics are sourced from Queensland Government's Statistician's Office, Queensland Treasury (2019), *Australian Gambling Statistics 1990-91 to 2017-18, 35th Edition*
- ⁱⁱⁱ EGM participation and prevalence rates are sourced from the most recent prevalence survey undertaken in the jurisdiction: ACT (2019), NSW (2018-19), NT (2015), QLD (2016-17), SA (2018), TAS (2017) and VIC (2018-19).
- ^{iv} The ACT Parliamentary Agreement for the 9th Legislative Assembly of October 2016 included a commitment to reduce the number of EGM authorisations in the ACT to 4,000 by 2020. At 30 June 2018 the ACT Government reported that the number of authorisations was then 4,947. The ACT Government reported that the number of authorisations in place at 30 November 2019 is 4,001.
- ^v Taverns and hotels in the ACT are allowed only Class B (draw poker) gaming machines. Taverns in the ACT are allowed a maximum of 2 Class B gaming machines. Hotels with 12 or more units of accommodation are allowed a maximum of 10 Class B gaming machines, while hotels with less than 12 units of accommodation are allowed a maximum of 2 Class B gaming machines.
- ^{vi} While there is no club cap stated for the ACT please read in conjunction with the notes regarding the ACT commitment to reduce EGM authorisations to 4,000 by 2020.
- ^{vii} Note that while this remains the legislative cap the effective EGM cap in NSW is lower due to entitlements trading restrictions. In March 2018 the NSW Government moved to institute a community cap on existing gaming machine numbers in high risk areas. High risk areas are determined by socio-economic level as determined by the Australian Bureau of Statistics.
- ^{viii} Clubs must abide by a Gaming Machine Threshold. A Local Impact Assessment is required to increase any threshold.
- ^{ix} On 16 November 2016 a territory-wide cap on EGMs of 1,852 was announced. From June 2018 the cap on community gaming machines was lowered to 1,734.
- ^x A state-wide cap of 19,500 EGMs for hotels and a cap of 24,705 EGMs for clubs applies. The cap sets a limit on the number of gaming machines that may be operational, regardless of the number of approved EGMs.
- ^{xi} The *Statutes Amendment (Gambling Reform) Bill 2013* established a state-wide cap objective of 13,081 gaming machine entitlements which covers all gaming sector venues, inclusive of the 995 entitlements granted to the Adelaide Casino.
- ^{xii} Changes to the SA trading entitlements scheme have created an effective reduction in hotel venue caps for this jurisdiction. From February 2005 profit organisations (hotels) were allocated a reduction in gaming machine entitlements. Venues licensed for 28 or more machines receive eight less than the approved number; venues approved for between 21 and 27 machines receive 20 entitlements and venues licensed for less than 20 machines received entitlements equivalent to their approved number. An entitlement trading system is in place, allowing venues to trade up to their original licensed capacity, if the entitlements are available.
- ^{xiii} The South Australian maximum bet limit was revised down from \$10 to \$5 on 1 January 2017.
- ^{xiv} Changes to South Australian legislation in December 2019 allowed for the addition of Bank Note Acceptors to South Australian EGMs.
- ^{xv} From 1 February 2014, SA EFTPOS withdrawals were required to not exceed \$200 in any one transaction with the person operating the EFTPOS facility confirming the amount of cash requested to be withdrawn. Changes made on 24 December 2019 now limit ATM and EFTPOS withdrawals to \$250 per card per day.
- ^{xvi} On 22 August 2014 the Victorian Government reached an agreement with Crown Melbourne Limited to increase the maximum number of casino EGMs from 2,500 to 2,628. The increase in EGMs permitted to be operated in the Melbourne casino concurrently reduced the number of EGMs permitted to be operated by Victorian hotels and clubs from 27,500 to 27,372. Overall the state cap on gaming machines remains 30,000.
- ^{xvii} From 20 December 2017 in Victoria, EGM winnings of \$2000 or more must be paid out via cheque or Electronic Funds Transfer (EFT).
- ^{xviii} From 19 September 2018 in Victoria a compliant EFTPOS facility must not allow a person to obtain an amount of cash exceeding \$200 per transaction, must not allow a person to obtain cash exceeding \$500 on any one debit card within 24 hours and the sum requested for withdrawal must be entered into the device by an employee of the venue operator facilitating the transaction.
- ^{xix} All graphical data sourced from Queensland Government's Statistician's Office, Queensland Treasury (2019), *Australian Gambling Statistics 1990-91 to 2017 - 18, 35th Edition*