



Tasmanian Council of Social Service Inc.

Gaming Control (Community Support Fund) Regulations 2022

June 2022



**INTEGRITY
COMPASSION
INFLUENCE**

About TasCOSS

TasCOSS's vision is for one Tasmania, free of poverty and inequality where everyone has the same opportunity. Our mission is two-fold: to act as the peak body for the community services industry in Tasmania; and to challenge and change the systems, attitudes and behaviours that create poverty, inequality and exclusion.

Our membership includes individuals and organisations active in the provision of community services to Tasmanians on low incomes or living in vulnerable circumstances. TasCOSS represents the interests of our members and their service users to government, regulators, the media and the public. Through our advocacy and policy development, we draw attention to the causes of poverty and disadvantage, and promote the adoption of effective solutions to address these issues.

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Introduction

TasCOSS welcomes the opportunity to provide feedback to the Department of Treasury and Finance (Liquor and Gaming branch) in relation to the proposed *Gaming Control (Community Support Fund) Regulations 2022* ('the Regulations').

TasCOSS has already been involved in consultations around the Community Support Levy ('the CSL') and refer to recommendations made in earlier submissions relating to gaming in Tasmania (our submissions to Future of Gaming in Tasmania: Public Consultation Paper 2020,¹ our submission to the Gaming Control Amendment (Future Gaming Market) Bill 2021,² and our responses to Survey Questions - allocation of Community Support Levy Funding under the Future Gaming Market.³

Background

The CSL was introduced in 1997, the same time as the introduction of electronic gaming machines ('EGMs') in Tasmania. The CSL was intended to fund research, prevention and support programs and services to address harms from gambling, in recognition of the significant and far-reaching impacts of gambling related harm in Tasmania.⁴

Changes to the CSL were made by the introduction of the *Gaming Control Amendment (Future Gaming Market) Act 2021*, which made amendments to the *Gaming Control Act 1993* (Tas). The amendments will be in force from 1 July 2022, including the following provisions relating to CSL:⁵

- (1) *A casino operator or a venue operator must, from the gross profits derived by that operator from gaming machine games in each month, pay to the Commissioner of State Revenue a community support levy.*
- (2) *The community support levy is –*
 - (a) *in the case of the holder of a general casino licence, a sum equal to 3% of those monthly gross profits derived from gaming machine games in the casino; and*
 - (b) *in the case of the holder of a venue licence –*
 - (i) *a sum equal to 4% of those monthly gross profits derived from gaming machine games located in licensed clubs; and*
 - (ii) *a sum equal to 5% of those monthly gross profits derived from gaming machine games located in hotels.*
- (3) *A community support levy must be paid to the Commissioner of State Revenue on or before the 14th day of the month immediately following the month to which it relates.*

¹ TasCOSS, Submission on the Future of Gaming in Tasmania: Public Consultation Paper 2020, March 2020.

² TasCOSS, Submission on the Gaming Control Amendment (Future Gaming Market) Bill 2021, August 2021.

³ TasCOSS, Response to Survey Questions - allocation of Community Support Levy Funding under the Future Gaming Market - July 2021.

⁴ See, for example, O'Neill, M, Whetton, S, Kosturjak, A, Hancock, J, Dey, T, Delfabbro, P, Sproston, K, Wittwer, G & Eslake, S, South Australian Centre for Economic Studies, *Fifth social and economic impact study of gambling in Tasmania*, report commissioned by Tasmanian Department of Treasury and Finance (2021).

⁵ *Gaming Control Act 1993* (Tas) s151 (amended by *Gaming Control Amendment (Future Gaming Market) Act 2021* (Tas) s165).

The legislation also stipulates that the money in the Community Support Fund ('CSF' - a fund into which CSL is to be paid) must be distributed 'in the prescribed manner'.⁶ The Regulations relate to proposed distribution of these funds.

TasCOSS has consistently advocated for the following in relation to the CSL:

- Measures to ensure the CSL funds evidence-based and effective measures to address gambling-related harm;
- All funds to be directed at harmful gambling research, prevention and support programs and services;
- Adequate funding for the Tasmanian Liquor and Gaming Commission to take responsibility for the distribution of CSL;
- All charitable grants are adequately monitored, risk assessed and acquitted; and
- Key performance indicators and targets are established and monitored for activities directly aimed at preventing harmful gambling and supporting those harmed by gambling.

Key Issues

TasCOSS remains concerned the proposed distribution of the CSF prescribed by the Regulations will fail to meet the stated objective of reducing the risk of harm from problem gambling.

Distribution of CSF

We are concerned that not all money in the CSF will be directed towards initiatives or programs directed towards reducing gambling-related harm. The proposed distribution in the CSF is outlined in clause four:

The Department may, with the written approval of the Minister, make an allocation of money from the Community Support Fund for any of the following purposes:

- (a) gambling harm prevention and harm minimisation programs or initiatives;*
- (b) direct support programs, services or initiatives aimed at the minimisation, or prevention, of gambling harm, or both;*
- (c) research activities relating to the minimisation, or prevention, of gambling harm, or both;*

⁶ Gaming Control Act 1993 (Tas) s151A, which reads as follows:

151A. Community Support Fund

- (1) There is to be established in the Public Account an account to be called the Community Support Fund.*
- (2) The Community Support Fund is to be administered by the Department.*
- (3) The following is to be paid into the Community Support Fund:*
 - (a) any community support levy paid under section 151;*
 - (b) such other money received under this Act that is prescribed as being payable into the Community Support Fund;*
 - (c) such other amounts as the Minister may from time to time advance for the purposes of the Community Support Fund.*
- (4) The money in the Community Support Fund is to be distributed in the prescribed manner.*

(d) community capacity building and community development projects, programs or initiatives.

Although subclauses (a), (b) and (c) mandate a connection between the allocation of funds and harm minimisation, prevention or support programs, TasCOSS remains concerned that sub-clause (d) is too broad and may result in programs which are completely unrelated to gambling-related harm being awarded funding through the CSF.

TasCOSS strongly recommends legislation mandating the allocation of all funds in the CSF towards programs directed towards addressing gambling-related harm. As per our previous submission, we recommend the wording of subclause 4(d) be amended as follows: *community capacity building and community development projects, programs or initiatives that prevent, reduce or provide support in relation to harmful gambling*. The *Gaming Control Act 1993* (Tas) should also include a provision making this clear.

Recommendations:

- Section 151A (4) of the *Gaming Control Act 1993* (Tas) should be amended to read:
 - *All money in the Community Support Fund is to allocated towards programs which address gambling-related harm, and are to be distributed in the manner prescribed by the Gaming Control (Community Support Fund) Regulations 2022*
- Subclause 4(d) of the *Gaming Control (Community Support Fund) Regulations 2022* should be amended to read:
 - *community capacity building and community development projects, programs or initiatives that prevent, reduce or provide support in relation to harmful gambling,*

Criteria in consideration of allocation

Whilst TasCOSS acknowledges the changes to the criteria for allocation of the CSF have been amended to be more aligned with our previous recommendations, we remain concerned that the Regulations are not drafted to ensure all money is allocated to programs and/or initiatives to support those experiencing gambling-related harm.

The provisions relating to criteria to be considered are as follows:

An allocation of money from the Community Support Fund must satisfy one or more of the following criteria:

- (a) there is a link between the location of gambling losses and the location of the proposed spending;*
- (b) there is collaboration and partnering between the recipient and other organisations to maximise the reach and delivery of programs and initiatives that support prevention and treatment of gambling harm;*
- (c) the allocation of money is for the support of long-term programs aimed at reducing gambling harm;*

- (d) the allocation of money is a one-off allocation for a major initiative aimed at reducing gambling harm;*
- (e) the allocation is for the provision of ongoing specialist support for people impacted by gambling;*
- (f) the allocation is for investment in programs, infrastructure and activities that act as protective factors against gambling harm, including community engagement and health and well-being initiatives;*
- (g) the allocation is for the support of funding for research and the evaluation of gambling risk factors, attitudes, behaviours and impacts.*

As per our previous submissions, TasCOSS recommends further refining of the considerations to ensure funding is only be approved where the proposed program, infrastructure or activity is linked to a community or communities experiencing gambling-related harm and addresses at least two other criteria as outlined in the Regulations. We believe this will prevent CSL funds going to ‘diversionary activities’ with no direct link to preventing, reducing or addressing harm from gambling.

We recommend the Regulations be amended to firstly mandate that all programs to be funded under the CSL are linked directly to a community or communities experiencing gambling-related harm - the existing wording in subclause (a) could be used – as well as two or more of the criteria listed in subclauses (b) through to (g).

Recommendations:

- Subclause six of the Regulations (in relation to the criteria for allocation of money from the CSF) should be amended to read:
An allocation of money from the Community Support Fund must satisfy the following criteria:
 - (a) there must be a link between the location of gambling losses and the location of the proposed spending; and*
 - (b) two or more of the following criteria apply:*
 - a. there is collaboration and partnering between the recipient and other organisations to maximise the reach and delivery of programs and initiatives that support prevention and treatment of gambling harm; or*
 - b. the allocation of money is for the support of long-term programs aimed at reducing gambling harm; or*
 - c. the allocation of money is a one-off allocation for a major initiative aimed at reducing gambling harm;*
 - d. the allocation is for the provision of ongoing specialist support for people impacted by gambling;*
 - e. the allocation is for investment in programs, infrastructure and activities that act as protective factors against gambling harm, including community engagement and health and well-being initiatives;*
 - f. the allocation is for the support of funding for research and the evaluation of gambling risk factors, attitudes, behaviours and impacts.*

Other issues

TasCOSS has previously highlighted the need for ongoing reporting to accurately assess and measure the effectiveness of prevention and support programs, citing reports from Tasmania and interstate which show the need for a stronger evidence base to accurately assess the impact of gambling harm programs and whether they are achieving their objectives.⁷ Issues with the management of funds or grants have also been identified in relation to CSL-funded projects in Tasmania.⁸

We reiterate the need for the Government to commit to the measures intended to increase transparency around funded programs, and more accurately assess their effectiveness in meeting community need:

- The CSL should be administered by an independent body to ensure the fund is operating in a manner that is transparent and consistent with the stated objective of preventing and reducing gambling-related harm
 - We note Anglicare Tasmania have recommended the Tasmanian Liquor and Gaming Commission as an appropriate body to administer the CSF,⁹ and support this recommendation
- There should be regular reporting, monitoring and review of CSL-funded activities, as well as their effectiveness in addressing gambling-related harm.

Recommendations:

- The Regulations should include a provision naming the Tasmanian Liquor and Gaming Commission as the body responsible for the administration of the CSF
- Key performance indicators and targets should be established and monitored for all CSL-funded activities
- CSL-funded activities should be reviewed annually against specific indicators and targets
- Results of the annual reviews should be made publicly available
- All charitable grants allocated through CSL funding should be adequately monitored, risk assessed and acquitted.

Recommendations

1. Section 151A (4) of the *Gaming Control Act 1993* (Tas) should be amended to read:

- *All money in the Community Support Fund is to allocated towards programs which address gambling-related harm, and are to be distributed in the manner prescribed by the Gaming Control (Community Support Fund) Regulations 2022*

⁷ Victorian Auditor-General's Office, *Reducing the harm caused by gambling*, March 2021, <https://www.audit.vic.gov.au/sites/default/files/2021-03/20210318-Gambling-Harm-report.pdf>; Tasmanian Audit Office, *Gambling revenue and managing harm from gambling*, No.13 2016-17 <https://www.audit.tas.gov.au/wp-content/uploads/Report-Gambling-revenue-and-managing-harm-from-gambling.pdf>.

⁸ Tasmanian Audit Office, *Gambling revenue and managing harm from gambling*, No.13 2016-17 <https://www.audit.tas.gov.au/wp-content/uploads/Report-Gambling-revenue-and-managing-harm-from-gambling.pdf>, 16

⁹ Anglicare Tasmania, Submission to the consultation on the Gaming Control (Community Support Fund) Regulations 2022, July 2021, 9.

2. Subclause 4(d) of the *Gaming Control (Community Support Fund) Regulations 2022* should be amended to read:

- *community capacity building and community development projects, programs or initiatives that prevent, reduce or provide support in relation to harmful gambling*

3. Subclause 6 of the Regulations (in relation to the criteria for allocation of money from the CSF) should be amended to read:

An allocation of money from the Community Support Fund must satisfy the following criteria:

(a) there must be a link between the location of gambling losses and the location of the proposed spending; and

(b) two or more of the following criteria apply:

- a. there is collaboration and partnering between the recipient and other organisations to maximise the reach and delivery of programs and initiatives that support prevention and treatment of gambling harm; or*
- b. the allocation of money is for the support of long-term programs aimed at reducing gambling harm; or*
- c. the allocation of money is a one-off allocation for a major initiative aimed at reducing gambling harm;*
- d. the allocation is for the provision of ongoing specialist support for people impacted by gambling;*
- e. the allocation is for investment in programs, infrastructure and activities that act as protective factors against gambling harm, including community engagement and health and well-being initiatives;*
- f. the allocation is for the support of funding for research and the evaluation of gambling risk factors, attitudes, behaviours and impacts.*

4. The Regulations should include a provision naming the Tasmanian Liquor and Gaming Commission as the body responsible for the administration of the CSF

5. Key performance indicators and targets should be established and monitored for all CSL-funded activities

6. CSL-funded activities should be reviewed annually against specific indicators and targets

7. Results of the annual reviews should be made publicly available

8. All charitable grants allocated through CSL funding should be adequately monitored, risk assessed and acquitted.