



LEGISLATIVE ASSEMBLY

FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON PUBLIC ACCOUNTS

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STANDING COMMITTEE ON PUBLIC ACCOUNTS

Inquiry into elements impacting on the future of the ACT Clubs sector

Supplementary Questions

Responses from ACT Gambling & Racing Commission



ACT
Government



GAMBLING
AND
RACING
COMMISSION



The Secretary
Standing Committee on Public Accounts
Legislative Assembly of the ACT
GPO Box 1020
CANBERRA ACT 2601

Dear Dr Cullen

Response to supplementary questions regarding the inquiry into elements impacting on the future of the ACT Clubs sector

Thank you for your request to provide further information to the Public Accounts Committee (the Committee) inquiry into elements impacting the future of the ACT clubs sector.

The attached responses address the Committee's queries raised following the hearing on 18 May 2015. The information provided is in accordance with the ACT Gambling and Racing Commission's functions and responsibilities.

Should the Committee require further information, please contact me on 6207 0360 or Belinda Josey, Manager, Policy and Research on 6207 0382 or email Belinda.josey@act.gov.au.

Yours sincerely

Greg Jones
Chief Executive
ACT Gambling and Racing Commission

10 June 2015

STANDING COMMITTEE ON PUBLIC ACCOUNTS
INQUIRY INTO ELEMENTS IMPACTING ON THE FUTURE OF THE ACT
CLUBS SECTOR

Supplementary Questions to ACT Gambling and Racing Commission

1. Trading Scheme - Does the Commission have any concerns regarding the trading scheme?

The development of the gaming machine trading scheme along with the rest of the gaming machine reform package is a policy decision for Government. The Commission is working on changes to its administrative systems so that the scheme can commence as soon as possible.

2. Information - Clubs ACT advise information sharing between venues, program gambling service providers and the gaming Commission has deteriorated over recent years and should be restored. What can be done to improve this?

The Commission does not agree that information sharing has deteriorated in recent years; in fact the Commission contends that communication and information sharing in this regard has been enhanced in recent years.

It should be noted that any information sharing between the parties mentioned above must respect the privacy and confidentiality of club members and ACT Gambling Counselling and Support Service (AGCSS) clients.

The AGCSS is funded through the Problem Gambling Assistance Fund (PGAF) which is administered by the Commission. The Commission has established the PGAF Advisory Committee which meets regularly to discuss and consider projects proposals under the Fund. The Advisory Committee consists of representatives from ClubsACT, TABCorp, Casino Canberra, ACTCOSS and ACT Government Community Service Directorate.

AGCSS provides quarterly and annual financial and performance reports to the Commission, as well as a publicly available annual report. A copy of that report and quarterly performance information is provided to the PGAF Advisory Committee by the Commission.

Information about counselling services in the ACT is also provided to the Gambling Industry Consultative Committee (GICC) which includes industry representatives.

In response to a recent request from ClubsACT, the Commission has consulted with AGCSS about their capacity to provide additional information without compromising client

confidentiality and privacy. The Commission has advised ClubsACT that AGCSS are able to collect and provide some of the information requested.

In addition, the AGCSS liaises regularly with the club industry. It is required under its Service Funding Agreement to liaise with the management of licensed venues, visit licensed venues and liaise with Gambling Contact Officers including the conduct of training courses and information seminars. AGCSS has recruited an industry liaison officer whose primary role is to engage with gambling providers.

- Should that information flow also include gambling researchers?

As noted above, any information sharing must respect the privacy and confidentiality of club members and AGCSS clients.

Researchers from the ANU Centre for Gambling Research (CGR) have approached ClubsACT for support in engaging their members in research projects on a number of occasions with mixed success.

A recent example of research engaging ACT clubs that was more successful was research on self exclusion in the ACT. Staff from eight gambling venues agreed to participate in the research and will be invited to a presentation by the author when the report is completed.

The AGCSS is required under its Service Funding Agreement to reasonably assist researchers specified by the Commission. AGCSS is a recruiting agency for the current CGR Client Cohort Longitudinal Study research project.

Copies of all CGR reports are made available on the Commission's website as they are published. Where other research is particularly relevant to ACT gaming licensees the Commission advises licensees directly either through Compliance Bulletins or where appropriate sending a summary to licensees and encouraging them to make the information available to their staff.

- What capacity does the Commission currently have to obtain data from clubs for gambling research? Does this capacity need to be increased?

The Commission obtains data from clubs under their reporting requirements, including expenditure, revenue and taxation data, as well as through publicly available information such as annual reports. Through its administration of the ACT Gambling Exclusion Database, the Commission has access to limited information provided by people who have chosen to exclude themselves from gambling or who have been excluded by licensees due to concerns about the person's welfare.

Increased capacity to obtain data would enhance the Commission's research role. In most cases this data would be requested by and provided directly to the researchers rather than

through the Commission. Obviously all the necessary privacy and confidentiality requirements would continue to be met in such circumstances.

As mentioned above, the ANU Centre for Gambling Research has met with mixed responses from clubs in relation to engaging in research.

- Clubs ACT want the Commission's gambling prevalence research to be put out to competitive tender. What are your thoughts on this? Does the Commission have any concerns regarding the quality of the existing research?

The Commission funds research projects in a number of ways, including from its own resources, through approved projects under the Problem Gambling Assistance Fund (PGAF) and through a share of national projects under the control of Gambling Research Australia. The 2014 Prevalence Survey (and a similar survey conducted in 2009) was funded directly by the Commission with contract performance and monitoring undertaken in accordance with normal public sector accountability requirements.

The Commission has a Deed of Agreement with the Australian National University (ANU) that establishes a Centre for Gambling Research at the University which undertakes research on a non-exclusive basis for the Commission. The ANU is a well-respected research organisation both nationally and internationally with the staff of the Centre being very experienced researchers with expert knowledge in study design, methodology and data analysis. All research projects undertaken by the Centre are subject to ethics approval by the University and to rigorous approval and monitoring processes by the Commission, including their design, conduct and publication.

The Commission has no concerns regarding the quality of the research it receives.

3. ATM EFTPOS Load up limit - It is well known that some clubs are currently circumventing the ATM limit by using EFTPOS, and that Clubs ACT are trying to address this through a voluntary code of conduct. Does the Commission think this will suffice or does this problem require a legislative response?

Section 153A of the *Gaming Machine Act 2004* (the Act) provides that a licensee commits an offence if ATMs on their premises allow a person to withdraw more than a total of \$250 from any debit or credit card on any gaming day.

At the Minister's request, the Commission will continue to monitor the use of EFTPOS facilities and report to the Minister. Any policy changes will be undertaken by the Economic Development area in the Chief Minister, Treasury and Economic Development Directorate.

- The Commission submission describes ticket in ticket out gaming as a Government initiative? At the time the Minister publicly stated it was a Commission initiative. Can you please clarify who initiated the move to TITO gaming?

Since the introduction of Ticket In Ticket Out in NSW in 2006, ClubsACT has submitted a number of requests to the Commission for the implementation of the new technology in the ACT.

Following the most recent approach by ClubsACT and after extensive consultation with external stakeholders, the Commission agreed in February 2014 to allow Ticket In Ticket Out technology to be used in the ACT. The Commission's agreement was subject to a maximum ticket value of \$800 being accepted by a gaming machine.

The Commission's support of Ticket In Ticket Out was conveyed through the policy area to the Minister with a recommendation to amend the *Gaming Machine Regulation 2004* to enable it to be implemented. This was subsequently agreed by the Minister and the amending Regulation made by the Executive to enable Ticket In Ticket Out to operate.

4. Enforcement - Clubs ACT allege concerns over transparency and professionalism of enforcement agencies. Are you aware of any specific concerns?

The Commission is aware that ClubsACT has previously expressed concern over the number of audits/inspections conducted by regulatory agencies, both in general terms and in relation to specific clubs.

As part of its overall compliance program, the Commission conducts at least one full audit (including code of practice requirements) and one community contribution audit on each club during a financial year. Where practicable, the Commission endeavours to conduct the full audit and community contribution audit during the same visit to minimise the impact on the club's operations during the audit.

Additional audits conducted at a particular club during a financial year are dependent on a risk based methodology. This means that a club may receive a number of additional visits during a year if it has been identified as a high risk entity based upon previous compliance history, management acumen, resourcing, adequacy of control procedures and other relevant factors. Legislative change may also trigger additional visits to a club where the Commission takes an educational approach in the first instance to assist with compliance with new requirements.

The total number of audits conducted by the Commission each year (including breaches identified) are reported in the Commission's annual report. Overall, the total number of audits conducted by the Commission has been relatively static over the last few years.

The establishment of Access Canberra will enable the Commission's audit program to be streamlined and co-ordinated with other regulatory agencies where appropriate.

- Do you feel there are currently obstacles to clubs providing feedback regarding audit processes to the Directorate/Commission/Minister?

The Commission is always open to feedback from licensed entities in relation to its operations on a formal and informal basis. The Commission is aware that some clubs and ClubsACT have provided feedback to the Directorate and the Minister in the past.

While at a venue during a visit, Commission inspectors typically discuss major audit findings while they are at the premises, including ways of improving compliance where relevant. The Commission does not believe that there are any obstacles in relation to the provision of feedback.

- Do you agree with Clubs ACT that this process requires setting up another semi-independent regulatory body?

The Commission does not agree with ClubsACT that there is a need for "another semi-independent regulatory body". The Commission was established as an independent regulatory body under section 5 of the *Gambling and Racing Control Act 1999* (the Act). The Act establishes the powers, functions and activities of the Commission.

The Commission is governed by a Board which is required under the *Financial Management Act 1996*, section 77, to ensure, as far as practicable, that the authority operates in a proper, effective and efficient way.

The Commission is unsure of the purpose of the proposed additional "semi-independent regulatory body". Its establishment would not be consistent with a reduction in red tape and unnecessary regulation.

As stated above, Access Canberra will provide enhanced co-ordination of regulatory activity and practices across the Territory.

- How many fines and warnings have been issued to clubs in recent years due to regulatory infractions?

Since 1 July 2012 the Commission has issued a number of warnings to clubs in relation to regulatory infractions. While the Commission does not issue "fines", it does have disciplinary powers under the *Gaming Machine Act 2004* which includes the issuing of

monetary penalties. A list of warnings issued and disciplinary action taken against clubs since 1 July 2012 is at Attachment A.

5. Problem Gambling - Wins over \$1500 are currently paid by cheque. Should this value be lowered to \$1000 or \$500?

After extensive stakeholder consultation, the maximum cash payout limit was adjusted in 2014 from \$1200 to \$1500 to bring it broadly in line with Consumer Price Index movements since it was first established. This was the first revision to the cash payment limit in the *Gambling and Racing Control (Code of Practice) Regulation 2002* (Code of Practice) since 2004.

As part of the Code of Practice amendments in 2014, licensees are now required to provide payment of amounts over \$300 by cheque or electronic funds transfer if requested by a patron. Information regarding this option must also be made available through signage displayed in venues.

6. Problem Gambling Assistance Fund - Clubs ACT want to extend access to the PGAF to more organisations. What organizations currently have access? How do organisations apply for access to the fund?

The current requirements for the operation of the Problem Gambling Assistance Fund do not restrict particular organisations from applying for funding. Therefore any organisation is able to apply to the PGAF for support funding as long as the purpose is consistent with the legislation. Expenditure from the Fund is for the purpose of alleviating problem gambling or the disadvantages that arise from problem gambling and for providing or ascertaining information about problem gambling.

Applications have been recently received from OzHelp, ClubsACT, The Youth Coalition of the ACT and the Gambling Impact Society of NSW. An application is expected shortly from Medicare Local.

Enquiries regarding proposals for funding may be directed to the Commission or any member of the PGAF Advisory Committee (membership outlined in Question 2). Whilst there is no specified format for an application Commission staff are able to provide information and assistance in the preparation of a proposal.

7. Exclusion program - Do clubs exclude people against their will?

The *Gambling and Racing Control (Code of Practice) Regulation 2002* requires ACT licensees to prevent a person gambling at their venue if they form the belief on reasonable grounds that the gambling of an individual poses a serious threat to the welfare of that person or to

their dependants. A person may also voluntarily self-exclude themselves from gambling at as many gambling venues in the ACT as they wish.

- How many people are currently excluded?

There are 695 active exclusions registered on the ACT Online Gambling Exclusion Database, from 322 people. Note that one person can exclude themselves from multiple venues.

Since the online scheme was introduced on 1 July 2014, 104 new self-exclusions and 36 licensee exclusions have been initiated.

A factsheet for the online scheme is provided at [Attachment B](#).

- Clubs ACT want to exchange exclusion data with Queanbeyan, does this raise any privacy concerns?

NSW has a significantly different approach to exclusion from gambling. There are at least six different exclusion schemes in operation in NSW and it is possible for individual gambling venues to operate their own schemes.

Since implementing the ACT Online Gambling Exclusion Scheme in July last year, the Commission has met with administrators of three of the largest NSW gambling exclusion schemes, TABCorp, Betsafe and ClubSafe and reached agreement in principle to have reciprocal arrangements that facilitate access by gamblers to the different schemes.

8. Floor plan changes - Clubs ACT are requesting automatic approval of changes to gaming floor plans. What are the Commission's thoughts on this proposal?

In December 2014 amendments were made through the *Gaming Machine (Red Tape Reduction) Amendment Bill 2014* to allow licensees under the *Gaming Machine Act 2004* to move gaming machines within the existing approved gaming area without applying to the Commission for approval.

Other changes to the approved gaming area require approval from the Commission, such as changes to the location or boundaries of the gaming area. In considering an application for these changes, the Commission must consider harm minimisation strategies for patrons, including the relative location of cash facilities and accessibility by minors.

A licensee also requires an approval from the Commission to make a change to the structure of the part of the premises that affects the gaming area. This is consistent with section 39 of the *Liquor Act 2010* (Licence – amendment for change to floor plan of licensed premises), which is currently administered by the Office of Regulatory Services.

The Gaming Machine Reform Package supports the current policy in relation to gaming machine area floor plans. It further clarifies what must be included in an application and that the Commission must consider harm minimisation strategies for patrons in making decisions on whether a gaming area will be suitable for the operation of the number of gaming machines the licensee may have under an authorisation certificate.

Enforcement Action Taken Against Clubs since 1 July 2012

Year	Club	Breach	Enforcement Action
2012/13	Tennis ACT	Fail to pay Problem Gambling Assistance Fund payment on time	Warning
	Calwell Club	Unauthorised access to gaming machines and Machine Access Register entries made by unauthorised person	Reprimand
	Canberra Club	Fail to pay gaming machine tax and Problem Gambling Assistance Fund payment on time	Warning
	Canberra Irish Club	Operating gaming machines between 4am and 9am	Warning
	Eastlake Football Club	Unauthorised access to gaming machines and Machine Access Register entries made by unauthorised person	Reprimand
	Federal Golf Club	Fail to pay Problem Gambling Assistance Fund payment on time	Warning
	Italo Australian Club	Non-members/guests of members utilising club facilities	Warning
	Italo Australian Club	Fail to operate gaming machines in accordance with control procedures Fail to ensure staff had completed required training	3 day licence suspension
	Spanish Australian Club	Fail to lodge certified income and expenditure statement on time	Warning
	Sports Club Kaleen	Unauthorised access to gaming machines and Machine Access Register entries made by unauthorised person	Reprimand
2013/14	ACT Rugby Union Club	Fail to pay Problem Gambling Assistance Fund payment on time	Warning
	Ainslie Football Club	Promotional Material sent to excluded person	Warning
	Canberra Tradesmen's Union Club	Fail to pay gaming machine tax and Problem Gambling Assistance Fund payment on time	Warning

Year	Club	Breach	Enforcement Action
	Canberra Tradesmen's Union Club	Software not from approved supplier, operate gaming machine at unapproved return to player percentage	Reprimand with Direction to remove software \$3,000 monetary penalty
	Canberra Irish Club	Fail to pay gaming machine tax and Problem Gambling Assistance Fund payment on time	Warning
	Federal Golf Club	Fail to pay Problem Gambling Assistance Fund payment on time	Warning
	Raiders Gungahlin	Fail to send self-exclusion to all nominated licensees	Warning
	Woden Tradesmen's Union Club	Fail to pay gaming machine tax and Problem Gambling Assistance Fund payment on time	Warning
	Woden Tradesmen's Union Club	Software not from approved supplier	Reprimand with Direction to remove software \$1,000 monetary penalty
	Woden Tradesmen's Union Club	Unauthorised access to gaming machines and Machine Access Register entries made by unauthorised person	\$500 monetary penalty
2014/15	Croatia Deakin Soccer Club	Fail to pay gaming machine tax, Problem Gambling Assistance Fund payment and lodge tax return on time	Warning
	Raiders Belconnen	Unauthorised access to gaming machines and Machine Access Register entries made by unauthorised person	Warning
	Burns Club	Fail to pay Problem Gambling Assistance Fund payment on time	Warning

ACT Online Gambling Exclusion Scheme

Fact Sheet

The ACT Online Gambling Exclusion Scheme (AOGES) provides a means for people to be excluded from gambling venues in the ACT.

Self-exclusion is where a person chooses to exclude themselves from as many gambling venues in the ACT as they wish.

Licensee exclusion is where a gambling licensee believes the welfare of a person or their dependants is seriously at risk from the person's gambling. The licensee must exclude the person from gambling at their venue.

Gambling venues in the ACT include:

- licensed clubs and taverns with electronic gaming machines;
- all ACTTAB facilities including branches, agencies, telephone, on course and online gambling facilities; and
- Casino Canberra.

A person who wants to exclude from an internet gambling service should contact the service provider. There are also programs available for purchase which block access to Australian and international gambling sites on your computer and mobile devices. Examples include GamBlock, Betfilter and TXNoGam.

Self-exclusion

Self-exclusion is where a person chooses to exclude themselves from as many gambling venues in the ACT as they believe they need to. This is done by completing a self-exclusion Deed.

A person can request assistance from a gambling venue, the ACT Gambling Counselling and Support Service or obtain a self-exclusion Deed and lodge it directly with the ACT Gambling and Racing Commission (the Commission). Contact details are provided at the end of this factsheet.

Self-exclusion places responsibility on the excluded person not to enter gambling venues or participate in gambling activities from which they are excluded.

An excluded person is not eligible to claim a prize or winnings from a venue they are excluded from.

Venue operators have a responsibility to enforce the exclusion. A failure to enforce the exclusion may result in penalties under the law.

The self-exclusion process:

- It is important for a person who is considering self-exclusion to be fully informed about how exclusion works and to be aware of their rights and responsibilities.
- The Commission recommends seeking assistance from an ACT gambling venue, the ACT Gambling Counselling and Support Service or the Commission for guidance.
- It is possible to proceed without assistance by obtaining information about self-exclusion and a self-exclusion Deed from the Commission. The Deed must be completed and returned with supporting identification to the Commission.
- When completing the Deed the applicant needs to decide which gambling venues they wish to be excluded from and for how long.
- The minimum period of a self exclusion is six months and the maximum period is three years.
- A person may increase the number of gambling venues they have excluded from or the length of their exclusion (up to maximum of three years) at any time.
- The applicant can also indicate on the Deed that they would like the ACT Gambling Counselling and Support Service to contact them.
- The applicant needs to provide a photo or have one taken to help gambling venue staff identify and assist them should they be detected at an excluded venue.

- Once the applicant signs the exclusion Deed it is uploaded into the AOGES database and the information in the Deed is immediately accessible to the venues from which the person has excluded.
- If an excluded person is detected in the venue staff will ask the person to leave and will inform the Commission that the excluded person has breached their self-exclusion.
- At the end of their exclusion, a person can ask the Commission or any ACT gambling venue to continue their exclusion for up to three years.
- A person can apply at any time to revoke their self-exclusion through the Commission or at a venue they are excluded from. There is a seven day cooling off period after the application is made before the revocation becomes effective.
- After a self exclusion ends the gambling venue(s) the person was excluded from may seek to determine that gambling no longer poses a serious risk to the person before re-admitting them to the venue.

Licensee exclusion

Where a gambling licensee believes the welfare of a person or their dependants is seriously at risk from the person's gambling the licensee must prevent that person gambling at their venue. They will do this through a licensee exclusion.

The decision to exclude a person is often a difficult decision for a licensee to make. Sometimes something will happen that will give the licensee immediate cause for concern however it is more likely that a licensee will develop concerns over a period of time and the licensee is likely to have spoken with the person concerned before taking this step.

A licensee must provide a copy of the exclusion notice to the excluded person and this document will outline the reasons the licensee has taken this action.

A person who does not agree with the licensee's decision may ask the licensee to

reconsider and may also ask the Commission to review the exclusion.

A family member or friend of someone who they believe is being harmed by gambling may ask to speak with the Gambling Contact Officer (GCO) at a venue where that person gambles. The GCO should consider all information available to them when deciding whether the licensee needs to exclude a person because their gambling is posing a serious risk to their welfare.

A concerned family member or friend can also contact gambling help services for help with their own situation even if the gambler is not yet ready to seek help. The ACT Gambling Counselling and Support Service also provides free financial counselling for anyone affected by problem gambling.

A concerned family member or friend who believes a GCO has not responded appropriately to their concerns may contact the Commission to seek further assistance.

Contact Information

The ACT Gambling and Racing Commission

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ACT Gambling Counselling and Support Service

Ph Gambling Helpline 1800 858 858

Office enquiries 02 6129 6100

National Gambling Helpline

24/7 telephone help 1800 858 858

Gambling Help Online

www.gamblinghelponline.org.au

Information, 24/7 real time chat, email support.



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