

# Legislative Council

## HANSARD

Tuesday 29 October 2024

The President, **Mr Farrell**, took the Chair at 11.00 a.m., acknowledged the Traditional People and read Prayers.

*[excerpt...]*

### MOTION

#### State Government's Tasmanian Liquor and Gaming Commission Ministerial Direction (No. 1) 2022 - Noting

[8.09.p.m.]

**Ms WEBB** (Nelson) - Mr President, I move -

That the Legislative Council:-

- (1) Notes the State Government's Tasmanian Liquor and Gaming Commission Ministerial Direction (No. 1) 2022 requiring the implementation of a mandatory cashless card system for poker machines in Tasmanian hotels, clubs and casinos, including loss limits, breaks in play and optional commitment for time spent playing;
- (2) Acknowledges the Tasmanian Liquor and Gaming Commission's public consultation process on the implementation of the poker machine mandatory card, which closed on the 18th of October this year;
- (3) Notes the statement provided on the Adjournment debate by the Leader of Government Business in the House of Assembly, on Wednesday the 16th of October this year, that the Department of State Growth has engaged Deloitte Access Economics to undertake an analysis of the social and economic impact of the Government's poker machine pre-commitment card policy;
- (4) Further notes that the Premier has not released publicly the terms of reference or contract provided for the Deloitte Access Economic review; and
- (5) Calls on the Government to release immediately the terms of reference for the Deloitte Access Economics' social and economic impact review of the poker machine pre-commitment card policy, as commissioned by the Department of State Growth.

I rise to speak to motion number 19 in my name on the notice paper. I cannot imagine how excited members must be that here we are at just gone 8.00 p.m. and I have risen to speak on

this topic that I am very passionate about and members will be very aware that I like to discuss in some detail.

However, this is a fairly straightforward motion. I am hoping that we can move through this and agree on this quite readily. The motion relates to a topic, as I said, that I have spoken on many times in this place at great length. The motion revisits the topic of poker machine reform and harm minimisation because it appears we are seeing an exceptional opportunity to genuinely and substantially reduce the harm caused to Tasmanians and their families by pokies addiction being torn away by the Rockliff Government, as it yet again appears to be doing the bidding of the politically powerful pokies industry lobby.

I believe that is what we are seeing occur: covert actions taken at the direction of the pokies industry to pave the way for a shameful retreat from the implementation of what is an evidence based, expert recommended and community supported consumer protection measure. The points of this motion layout this disgraceful pathway that the Rockliff Government is on, as it appears to be on again the very verge of utterly failing to prioritise the Tasmanian community's social and economic best interests over protecting the addiction derived profits of the pokies industry.

The motion asks that the Legislative Council first, in point (1) of the motion, notes the State Government's Tasmanian Liquor and Gaming Commission Ministerial Direction (No. 1) 2022, requiring the implementation of a mandatory cashless card system for poker machines in Tasmanian hotels, clubs and casinos, including loss limits, breaks in play and optional commitment for time spent playing.

The 2022 Ministerial Direction mentioned here in the first point of the motion, requiring the Gaming Commission to implement the mandatory cashless card system did not come out of the blue. It is worth recapping here how it came about so we are clear on the order of events. In fact, that Ministerial Direction originated in the lengthy debate in both Houses of Parliament over the Future Gaming Market Bill, which was legislated here in 2021. No doubt members who were in this place at that time will recall our extended debate on that piece of legislation. That parliamentary debate led to an initial Ministerial Direction, which was Ministerial Direction No. 1 of 2021. This was a direction to the Gaming Commission, which said it was to:

1. investigate the extent to which facial recognition technology and a smartcard-based identification system for electronic gaming machines in casinos, hotels and clubs could minimise gambling harm; and
2. provide me a report on the outcome of the investigations and recommendations as to the most effective method of implementing these technologies in casinos, hotels and clubs.

That was the first Ministerial Direction. That ministerial direction asked the independent Tasmanian Gaming Commission for its recommendations, basically, on the most effective method for minimising harm from those two areas specified.

In preparing its report in response to this direction, the commission consulted widely and provided plenty of opportunity for industry to raise concerns and provide evidence in this process.

As the Treasury's website states:

Following the Direction, the Tasmanian Liquor and Gaming Commission

conducted a robust investigation that included targeted and public consultation, a review of national and international research and an independent feasibility study.

All the supporting materials for that investigation, including all submissions received from public consultation undertaken by the Commission, can be accessed on the Treasury website including the final report produced, which was publicly released on 15 September 2022.

In delivering its final report in response to that 2021 Ministerial Direction, the Gaming Commission was very clear. Its report explained why facial recognition technology would only be marginally effective in reducing harm from poker machines and did not recommend its adoption, but rather provided ample evidence for the effectiveness, desirability and community support for a mandatory card based system for using poker machines. That was its strong, clear, prioritised recommendation. The government's response to this report, which is also available on the Treasury website right now, stated this:

The Tasmanian Government commends the Commission for the breadth of work conducted for the investigation and extends appreciation to stakeholders that contributed to the consultation. The Government has accepted all recommendations and will work with the Commission to implement the first state-wide mandatory player card gaming system with pre-commitment in Australia, further strengthening gambling harm minimization for the Tasmanian Community.

That is the Government's response to that report from the Independent Gaming Commission. This indicated the government was satisfied with the Commission's work in investigating these matters. The government accepted the recommendation to develop and implement a mandatory card-based system and to give effect to that, the 2022 Ministerial Direction was issued, requiring the Gaming Commission to begin undertaking that process.

I note that the government's response to the final report of the Liquor and Gaming Commission also said this:

The government anticipates that venues will retain a greater percentage of their turnover under the new FGM arrangements than under the current arrangements even taking into account the costs of card-based systems. [OK]

This indicates that the government, in deciding to accept the recommendation for implementation of a mandatory card-based system, had considered the expected impact on the revenue of pokies venues and deemed it to be acceptable. In explicitly acknowledging that pubs and clubs:

will retain a greater percentage of their turnover under the new FGM arrangements than under the current arrangements even taking into account the costs of card-based systems.

the government has admitted that it had given a significant financial boost to pubs and clubs under the future gaming markets reforms. That is what is referred to there for those members who worked in when we passed those reforms. FGM is the future market gaming reforms. For total clarity, that was the change to the licencing model for poker machines in our state where our state moved from a single licence to individual venue licences.

Alongside acknowledging that this financial boost to venues under the new licencing model, explicit in this statement in the government's response, is that preserving the financial expectations of venues would not override the expert recommended good public policy on harm minimisation in its commitment to implement card.

Revisiting that statement from the government in its response to the Gaming Commission's final report certainly prompts us to question exactly how much of a financial boost have poker machine venues received in the first full year of implementation of that future gaming market reform. The first full year being the 2023-24 financial year, we are now well past that. The whole basis of that licencing model reform was to move from that statewide single pokies licence to individual venue licences that restructured how the pokies 'profit pie', if you like, was divvied up.

Under it, venues themselves would take a much larger slice of the profit pie than they had previously under the single licence model. How much of a revenue boost did venues get in that first year of 2023-24 under the new licencing model compared to say, the previous year as the final year under the old model? The answer is 'we do not know'. In this state, unlike many other states, venue-based data for poker machines is not publicly disclosed. Venue based data disclosure should be a responsible part of a regulatory accountability in this state. The pokies industry has always opposed and managed to stave off any such requirement, unlike some other jurisdictions, Victoria, NSW and Queensland to some extent, who do have public disclosure of various venue-based data.

We do not have ready public reporting of how much of a revenue boost venues have received under the new model with their larger slice of the profit pie that they now take, but my guess is that it would be substantial. The only reason to keep that secret and, for example, not make that data public would be because they are embarrassed about exactly how large that boost has been, and when I say they would be embarrassed, I am referring to both the government and the industry.

Maybe the Deloitte report, which is discussed in this motion and we will get to shortly, will provide us with an insight into this data about the boost to revenue for venues under the new licencing model, because the data is very important if Deloitte is to look at potential economic impacts of the card. These newly acquired financial windfalls for the pubs and clubs under the new licencing model, should not be quarantined from the introduction and the effects of the mandatory card. Those new super profits that they have been able to tap into with their larger slice of the profit pie are not a right to which those pokies businesses are entitled. They were gifted to them and we should not be seeing any protection rackets to see them maintained and sustained.

Back to ministerial directions. A key question, what has the industry been doing since the 2022 ministerial direction for the Gaming Commission to implement the poker machine mandatory card? Given their history of secret lobbying and deals with the major parties, I am sure they were not sitting on their hands doing nothing. Has the industry raised concerns about the pokies card? If so, with who? Are there publicly available records of any meetings or correspondence where concerns have been raised by industry? Is there any publicly available record of the response or promises made by government to any such concerns raised by the industry? There certainly does not appear to be.

The government's commitment to implement the mandatory card-based system of September 2022 was made well ahead of the start of the new licencing system, which came

online on 1 July 2023. When implementing the new licencing system, the tender for the licenced monitoring operator, the LMO, which sits at the centre of operating that system, included that there had to be the capacity to include the mandatory card as part of the system. It was built in as an expectation, expected and planned as part of the way forward, responsibly regulating poker machines in this state.

Work has been underway in the Gaming Commission and the Liquor and Gaming branch of Treasury to progress the card system, the design and the implementation plan. In December 2023, the Gaming Commission provided key pokies industry stakeholders with a preliminary consultation paper, providing information about the design and function of the system, focusing on how venues and patrons will be impacted, including the practical impact of the policy on gaming-machine play. Information on that industry consultation can be seen on the Treasury website, including the consultation paper that was prepared for industry. It is noted on the website that the consultation was confidential because of its focus and no submissions are available on that website.

Here is a key question. Did industry respond to this consultation opportunity, this formal consultation undertaken by the Gaming Commission on the Rock Poker Machine Card reforms? If they did, where are their responses? We know from comments made by the Gaming Commissioner on ABC Radio in the middle of this year that there was no engagement at all from the industry with that formal departmental consultation process conducted over last summer. What an astonishing revelation.

What other industry in the state would refuse to engage with a formal departmental implementation consultation process on a fundamental matter relating to its regulation? I will tell you, an industry that knows it is above good governance, that it is above robust policy making, and that it is above responsible regulation, that is who. The Tasmanian poker machine industry - an industry that knows it can throw its weight around behind the scenes, in secret, demanding and getting far more favourable outcomes through political threats and promises, than through engaging in proper process. That is who.

Another key question, we can only wonder, with what was no doubt escalating pressure from the industry behind closed doors, at what point did the government start thinking it might need to backpedal on this card?

Moving on to the second part of the motion. Point (2) of the motion reads:

Acknowledges the Tasmanian Liquor and Gaming Commission's public consultation process on the implementation of the poker machine mandatory card, which closed on 18 October this year;

Subsequent to the formal consultation process with industry over last summer, which we know was disdainfully ignored by the industry, the Gaming Commission has continued to progress development of the technical requirements of the player card. It recently called for public submissions in response to a public consultation paper that outlined proposed systems and sought feedback to help further develop aspects of the card-based system.

The Commission's consultation was supposed to:

Assist the Commission by providing views on the player experience and operational requirements for the system.

The feedback from consultation will be considered and included in system design and implementation plans as appropriate. [OK]

Submissions to this consultation closed on 18 October, 11 days ago. With horrible irony, this happened to be the same week we heard in parliament that the government had secretly commissioned Deloitte Access Economics to apparently investigate the economic impacts of the planned poker machine card. We do not yet know how many submissions were made to the Commission's public consultation process, who they are from, or what they say.

I do know that, unlike the earlier industry consultation process, there have been submissions made, there has been engagement from the Tasmanian public to this Commission consultation process. I know this because a number of the key community stakeholders have shared their submissions with me, knowing I would be keenly interested. I thank any community members and stakeholders who went to the trouble of investing their time and care in making a submission to that process. For some - let us be clear here, they were seeking input from people with lived experience - who made submissions to that public process, it may have been quite a painful and challenging thing to do. It is unconscionable to consider that Tasmanian community members and stakeholders who have engaged in this way may be subjected to the betrayal of the state Liberal government in thrall to the pokies industry heavyweights if, as it appears they are preparing to backpedal their way out of implementing the card.

I take this opportunity to thank the Gaming Commission and the staff in the Liquor and Gaming Branch who have been progressing this work of implementing the mandatory card-based system. It is nation-leading work and it is shameful in its clear and present danger that we see right now of it being discarded and dishonoured.

Point (3) of the motion says this:

'Notes the statement provided on the Adjournment debate by the Leader of Government Business in the House of Assembly, on Wednesday the 16<sup>th</sup> of October this year, that the Department of State Growth has engaged Deloitte Access Economics to undertake an analysis of the social and economic impact of the Government's poker machine pre-commitment card policy;

The grip of the pokies industry on both major parties in this state through a combination of donations and political threats has historically seen industry dictate government policy - literally write it, in fact, in some instances - and limit effective regulation through their demands. That is fact and nobody can stand up in this place and say otherwise. The ministerial directions of 2021 and 2022 seemed to be a change in this paradigm. Finally, it appeared that responsible evidence-based public policy and consumer protection was proceeding regardless of industry power and the way in which it is exerted in this state. However, as I have already discussed, the industry have clearly been working furiously behind the scenes, seemingly seeking to sabotage this new dawn.

The fruits of this political influence came to light two weeks ago, dragged into the light of day in parliament and likely a little earlier than had been intended by the government on the afternoon of Monday 14 October, with the resignation from Cabinet of Mr Michael Ferguson MP, the original decision maker and primary champion of the card-based system within the government. It was immediately clear that the card was likely at risk. At this turn of events, correspondence was sent to the Premier from me and other MPs seeking his urgent confirmation of his government's commitment to fully implementing the card-based system as

described in the Ministerial Direction of 2022, and under development these past two years.

In addition to this, questions were put to the Premier in Question Time in the other place on Wednesday 16 October and Thursday 17 October. On Wednesday 16 October, the Premier's answers to questions put to him were less than satisfactory. Rather than allay concerns about risk to the pokies card, they inflamed them. In answering questions, or indeed perhaps more accurately, contorting himself in order to not provide a straight answer, the Premier raised a number of red flags, including these. Instead of answering, he pivoted to promoting the government support of facial recognition technology and implementing that in Tasmanian venues. We know the Tasmanian Liquor and Gaming Commission did not recommend that and said it was only of marginal benefit in reducing harm caused by poker machines.

Any time any politician from any party gets up and starts talking about facial recognition technologies, they are parroting the pokies industry lines. They are acting as a puppet of the pokies industry, because facial recognition technology is industry-approved technology that they want to see implemented. What that tells us is it will not be effective in meaningfully reducing harm. It will be quite handy for the industry and for venues. It could be part of a great marketing system - but it will not meaningfully reduce harm in the Tasmanian community. When you see that happening - politicians of any party getting up and speaking about facial recognition technology - they are being a puppet of industry. When the Premier pivoted to that, it is a red flag.

The Premier also pivoted to raising issues about the economic effects and impacts on the hospitality industry and of jobs that might be caused by the card. That was a massive red flag.

Later that sitting day, on the Adjournment of the Chamber, it became clear when the leader of government business in that place rose to provide further information to the Premier's earlier answers in the day. This is what was said, on adjournment, by Mr Abetz, leader of government business in the other place:

Honourable Speaker, the Premier was asked about the Government's commitment to harm minimisation and the implementation of electronic gaming machine reform during Question Time. The Premier repeats that our government remains committed to harm minimisation. We acknowledge that there are concerns around economic impact and effect on jobs which we must consider in the implementation.

The Premier advises the government has requested advice from the Department of State Growth on the current government policy impact on the hospitality venues across the state, including tourism and hospitality election commitment, the government's electronic gaming machine existing policy and the government's 2030 Visitor Economy Strategy commitments - regional events. The Department of State Growth has engaged Deloitte Access Economics to undertake an analysis of the social and economic impact of the above. A report will be publicly released by the government.

There is a Dutch saying - I cannot say it in Dutch - and I think it is apt here. The translation is this: 'now the monkey comes out of the sleeve', Meaning 'now, the hidden thing comes into the light; now, the trick is revealed'. In that, that additional information slipped under the door in Adjournment in the other place at the end of a long sitting day and we see the monkey coming out of the sleeve from this government. A secretly commissioned report, not by the minister responsible for pokies card reforms, not within the development and implementation process being undertaken by the responsible body, the Tasmanian Liquor and Gaming Commission and

the Liquor and Gaming branch of Treasury. Rather, it looks like it has all been done through the Premier, where, clearly, the lobbyists of the pokies industry have found a more willing ear and, clearly, a more favourable response to the political influence they have been bringing to bear these past two years.

This is a playbook we are more than familiar with from this industry. Cries of impact on jobs and venue viability are the predictable first port of call. Remember, this is the industry that in 2018 said that the Labor Party's then-policy of confining pokies to casinos only would put 5000 jobs at risk. It was a blatant lie, with no backing in reality or data, and which was thoroughly disproven by an ABC fact check. Yet the industry was happy to shout it from the rooftops, as was the then-premier, in support of them. This industry has form in making grossly exaggerated claims as it demands fealty from the major political parties in this state and brings them to heel through backroom political threats and deals.

Lo and behold, just yesterday, with predictable shamelessness, the loudest lobbyist for the pokies industry has come out with yet another utterly ridiculous claim. Steve Old of the THA (Tasmanian Hospitality Association) stood in front of the media yesterday morning and said, 'On the data they have, that the introduction of the card-based system would close up to half the pokies venues in this state'.

**Ms O'Connor** - Lying again. Lying again.

**Ms WEBB** - If the industry expects anyone to take that as anything other than a ludicrous exaggeration, pulled out of thin air in order to bully the Liberal government, they must put the data in the public domain so it can be tested. A refusal to put their claimed data in the public domain can only be taken as an admission that the claim is simply made-up for dramatic effect by Mr Old. Believe you me, that performance, is getting tired in this state.

We have been here before. We know emotive, unfounded claims such as this, no matter how loudly you shout them, are nothing more than a pathetic lie. It will be telling if the Premier stoops to parrot this lie this time. The then-premier in 2018 parroted the industry lies told then. Will Premier Rockliff have the self-respect to avoid such subservient boosterism? It remains to be seen, but right now he looks to be teetering on the edge of it.

Here is a key question: what is Deloitte likely to report about the social and economic impact of the pokies card? That, of course, depends what the intention was in commissioning the report and on the terms of reference defined to give effect to that intention, which brings us to the next point in my motion.

Point (4) of the motion says:

Further notes that the Premier has not released publicly the terms of reference or contract provided for the Deloitte Access Economic Review;

What was the Premier's intention in commissioning this report, behind the back of his Treasurer who found out about it in parliament; behind the back of the responsible minister for pokies reform, the minister for Finance; behind the back of the Liquor and Gaming branch in Treasury; and behind the back of the independent Tasmanian Liquor and Gaming Commission? What was the Premier's intention in commissioning this report, and how will this be given effect to through its terms of reference? We do not know yet. We do not know because the Premier has been cagey about the origins of this analysis, and we have not seen the terms of reference. The Premier has not released them publicly.



So far, in the absence of open information, our only impression of this Deloitte report is that it has come about because the pokies industry appeared to have demanded it. As a result, it starts off with little credibility. There is no reason for secrecy on this front. If the Premier expects Tasmanians to give any credence to the Deloitte report when it is released, he must step away from the shadow of secrecy in which it was commissioned and be open about its intent, scope and terms of reference.

To continue to withhold these details simply perpetuates the impression of a furtive arrangement, dictated by a powerful industry to deliver promised outcomes at the expense of the social and economic wellbeing of the Tasmanian people.

I do think it is worth being honest and upfront about the social and economic impact of poker machine addiction and harm in the Tasmanian community. Let us recap on that a little, shall we? A total of \$186 million in losses was the amount that was taken from Tasmanians by poker machines in 2023-2024. Evidence indicates that around half, in this case, let us say around \$90 million, was bled from Tasmanians being harmed by pokies. I am just going to pause there for a minute to clarify something. Every claim I make in relation to poker machines, every bit of data I quote or evidence-based claim I make, I can point to a reference for it. I can point people to why I am saying that and what expert has said it or shown it or researched it. I can say that. The pokies industry does not show its data. The pokies industry cannot back its claims and point to references that back up everything that it says on this matter. I want to make that point right here.

Evidence indicates around half the losses, let us say \$90 million in the 2023-24 period was bled from Tasmanians being harmed by pokies. These Tasmanians do not exist in a vacuum; they are our family, our friends, our workmates, our community members. For every person harmed by addiction to poker machines, evidence says five to 10 people around them are also being harmed.

With Tasmanian income demographics and our cost-of-living pressures, which we have already discussed today, the economic impact of addiction-derived losses of \$90 million a year is devastatingly harmful and it would absolutely, categorically include children going hungry, mortgages and rents going unpaid, homes being lost, increased domestic violence, families breaking apart, debts being accrued and defaulted, employers and community organisations being defrauded, jobs being lost, criminal acts being committed, crippling mental ill health and lives being destroyed. These are the additional costs to both the social and economic outcomes of Tasmania when we are talking about the harm caused by poker machines.

It is not just a straight \$90 million being bled from people harmed by pokies; it is all the flow-on effects - the harm that bleeds out into the community. These costs are not often readily included in cost-benefit type analyses. Will Deloitte, in its analysis, include consideration of these costs currently experienced as a result of pokies' harm? We do not know because we have not seen the terms of reference.

In 1999, the Productivity Commission recommended a mandatory cashless card with loss limits as the best way to reduce harm from poker machines. The mandatory pokies card being implemented in Tasmania - as we speak because it is on its way. We are two years into its implementation. It will significantly cut the losses from addiction and will meaningfully reduce the human and economic harm.

Any politician of any stripe stating their commitment to pokies' harm minimisation is by

definition saying they support a reduction in profit for pokies venues. Let me repeat that. Any politician of any stripe stating their commitment to pokies' harm minimisation is by definition saying they support a reduction in profit for pokies venues. I tell you what: it is a given that the introduction of the pokies card will affect revenue of poker-machine venues. Their revenue will go down somewhat. That is by definition the effect of a successful harm minimisation measure. That \$90 million is lessened. The \$90 million that was taken in 2023-24 from people being harmed would not be repeated. It will be a lower figure.

If we do not expect there to be an impact on the profits of venues, that would indicate an expectation the card will not be effective. So spoiler alert: the Deloitte economic impact analysis will definitely indicate lower revenue for pokies venues as a result of the mandatory card. It is a given. That means it works. The government knew that from the time it responded to the Gaming Commission report that recommended introducing the card. Remember the government response to that report in 2022 in accepting the recommendation made, said this:

The government anticipates that venues will retain a greater percentage of their turnover under the new EGM arrangements than under the current arrangements, even taking into account the costs of card-based systems.

So, the government had thought about this and had decided that venues would still be ahead because, guess what, they just gifted them the new licencing model that gave them a bigger slice of the profit pie to offset any impact the card may have.

On another angle, will the Deloitte analysis also include assessment of the positive human and economic impact of less pokies addiction and harm that will result from the introduction of the card? We do not know because, you guessed it, we have not seen the terms of reference. How will this analysis weigh, I wonder, ruined lives against maintaining corporate profits? Will it model the positive jobs and growth created when money no longer drained by pokies is spent in other Tasmanian businesses?

We know that money spent virtually anywhere else in our community other than into poker machines has a greater economic benefit. It generates more economic growth and jobs spent virtually anywhere else we choose to spend it. Will the model include the positive impact of redirected spending when we reduce the harmful spending into poker machines by reducing the likelihood of addiction? We do not know because we have not seen the terms of reference. Will this analysis take into account the recent likely massive boost to venue revenue under the new individual licencing model that came into play on 1 July 2023? We do not know that either because we have not seen the terms of reference or the scope.

Why the secrecy? What role did the pokies industry interests play in proposing and designing this Deloitte study? Who wrote or who had input into the terms of reference? What methodology is being used and who was provided with an opportunity to have input into designing that methodology and the study?

Will the study draw on industry data that is not publicly available? Because I can tell you it would be entirely unacceptable to base this analysis on hidden data and release a report without also releasing that data so that it can be publicly known and tested.

Is the study perhaps already complete? We do not know. It is secret - behind closed doors. I wonder when the government expects to publicly release it? We do not know. Will the government be sharing the report with the pokies industry stakeholders before it is publicly released, I wonder?

**Ms O'Connor** - Of course they will.

**Ms WEBB** - How does the government expect the results of this analysis and report to inform the implementation of the pokies card? That would be something to have an explanation for. So many questions, so much secrecy.

The Premier, Jeremy Rockliff, told the media that the Department of State Growth finalised the Deloitte contract in August or September this year and the report would be released pretty soon. He also told the media that to his knowledge the Tasmanian Hospitality Association (THA) and the Federal Group had not proposed the study - to his knowledge, but we know that that does not necessarily mean that it is the case. Things are often kept away potentially, from political decision makers if it is going to be embarrassing for them to have learned of it. If it is the case, and this is a straightforward situation of a legitimate exercise in gaining more information to inform the implementation of this card, why the secrecy? Why are we not seeing the terms of reference? Why was that not put out straightaway when it came to light that the study was underway?

In fact, why was there not a media release back in August or September, which is apparently when the contract with Deloitte was finalised by the Department of State Growth? Why was there no media release from the government telling us about this excellent study taking place to help inform the implementation of the card. We see media releases for pretty much anything else that the government is doing on any given day, patting themselves on the back. Why was this not part of the 2030 Strong Plan for this state, with a media release and bells and whistles to go along with it. Why is the study taking place, given where we are at in progressing the pokie machines card and all the opportunities that have been there for concerns to be legitimately raised in accountable ways through formal processes.

The introduction of this card has already been delayed by 12 months. Will this study lead to further delays or even the abandonment of the card altogether? It looks quite like it is being set up to provide a rationale to backpedal, and that would be exactly what the industry would have been demanding behind closed doors. Every delay in the implementation of the proposed card is a win for the gaming industry. Every single delay.

The recent data if we look at say, the August losses to poker machines in this state, tells us that more than \$524,000 a day is being lost to poker machines in this state, half a million dollars a day. Losses since the 2018 pokies election are now more than \$1.1 billion in this state. That is only six years ago, six and a half years ago.

Glenorchy, Launceston and Devonport LGAs, those are the hardest hit LGAs by pokies losses in the state, particularly Glenorchy. I know there are members here who find that very disturbing.

This brings us to the final point of this motion.

Point 5 calls on the government to release immediately the terms of reference for the Deloitte Access Economic, Social and Economic Impact Review of the Poker Machine Pre-commitment Card Policy as commissioned by the Department of State Growth.

This is a simple call on the government and the Premier for transparency and accountability and integrity. It should be easy to agree to this and in the interest of rescuing this work from its murky and secretive origins, the Premier could act with integrity and respond to it promptly. I hope members in this place will support this motion and this simple call that it

makes.

Members need not share all my views or all my concerns in relation to poker machine regulation but I think most would recognise this is a modest and reasonable call which can be readily supported.

I trust members will feel concerned, as I do, about anything that is done by a state government in relation to a powerful vested interest that appears to be secretive, hidden and behind closed doors and counter to an appropriate good public policy process that is playing out in the public domain. It is highly disturbing.

This motion is an opportunity to put reflections on that on the record and at its conclusion, it makes a modest call, which I invite members to consider and support.

[8.51 p.m.]

**[other MLCs' contribution...]**

[9.33 p.m.]

**Ms WEBB** (Nelson) - Mr President, I thank members for contributions on the motion. I very much appreciate the engagement on it. If I understand the Leader correctly, they are rejecting the call to release the terms of reference. It was not clear to me whether she said they are taking it on notice. I do not know why they take it on notice, given that the motion has been on the books for some time and they could have just said yes or no to it now. However, we will see how we go when we come to a vote anyway, if necessary.

It is an interesting topic to be discussing and there are a few things from members' contributions I would like to pick up on and make some remarks about in my summing up, if I may.

I thank the member for Hobart for her contribution and remarks. She has stepped out of the room at the moment, but probably a few of us had a little grin when she mentioned the other place taking quite some time in 2021 with the future gaming market legislation - a whole eight or nine hours apparently -

**Ms Rattray** - I think we took a little bit longer than that.

**Ms WEBB** - I took nearly about as long as that myself, I believe, in my second reading contribution. I am making light, but actually I do not make light of this topic overall and certainly not the gravity of what we are talking about in relation to maybe betraying Tasmanian people in seeing nation-leading expert informed, evidence based harm reduction being put in place, consumer protection being put in place.

I want to recognise, as the member for Hobart did, Mr Michael Ferguson MP for the leadership that he did show on this matter in being the person in the Liberal Government Cabinet as Treasurer and at the time Finance Minister, who, in 2022, took the leadership on the decision to implement a mandatory pokies card with pre-commitment limits as we have been discussing. I believe he has been a personal champion of that card in that space across the intervening time. That was why his resignation from Cabinet put the matter at risk, because pushing back against what was no doubt intense industry pressure and continues to be intense industry pressure behind the scenes, no doubt on all other members of cabinet, would have been quite some task, I imagine, over these two years. In his absence, I think this is why we are

beginning to see that crumble.

It is interesting to hear a Labor contribution for labouring the delays in the card. It is a little bit of a shame. It is a fact that when the Gaming Commission first recommended the card, it was always their view it would take three years to implement, that that was realistic. I understand why minister Ferguson at the time, as he was Treasurer and Minister for Finance at the time, announced that the government would implement the card. He announced it with a two-year implementation timeframe. That is a shame, in a way, because it did mean that when it was not able to be done in that timeframe and we have another year to travel in implementing it, it looks like it has been delayed. In reality, on the advice of the Liquor and Gaming Commission, a three-year timeframe was about right. Again, the Gaming Commissioner has confirmed that publicly since.

The reason Michael Ferguson, at the time, would have announced a two-year timeframe is that that would have kept it within an election period. He would never have had to be taken to an election if it could have been done in a two-year timeframe and if we had not gone to early elections. We know that the two greatest risks to derailing any responsible poker machine regulation and consumer protection is having to legislate it through this place or having to take it to an election. Those are the two opportunities for the greatest industry pressure and influence and bullying to occur. That is where political threats and promises can be extracted and dominance of a vested interest with that much power can be brought to bear, particularly on the major parties that are trying to contest to form government in an election, or trying to get a piece of legislation through this place if they are the government.

The announcement from Mr Ferguson at the time was that it would be two years, I presume, in the hope that it would be done under ministerial direction without having to be legislated and within an election period and, therefore, not vulnerable to industry influence to the same extent that it would otherwise be.

Sadly, it was not able to be done in that timeframe. Realistically, the commission had thought that it would not and now we see it taking the additional time. Certainly, it is not that nothing has been happening in that time. It is quite sad to hear it implied that nothing has been happening in that time from the Labor contribution because clearly the Liquor and Gaming branch of the Treasury Department and the Liquor and Gaming Commission have been working quite hard and consistently on implementing these measures. They have had to do it alongside implementing the new licensing model that came on board on 1 July 2023 as well, and with that came the new LMO in that model, who was the key stakeholder within the system to have to then co-design and develop this with.

I acknowledge the extensive work that has been happening. For example, the effort that was put into the consultation process, theoretically, with industry last summer, putting together consultation material, reaching out to industry with the opportunity to engage - industry did not. It was probably too busy engaging with the two parties behind the scenes, knowing that that was a more preferable way to gain influence.

There certainly has not been no progress in two years, and it is fairly telling just to hear that said by a party that then is parroting industry-approved lines on facial-recognition technology, which I foreshadowed in my contribution.

Facial-recognition technology is marginal in its benefit in reducing harm by poker machines. All expert evidence tells us that and that is what the Gaming Commission said in their report. The reason, just for utter clarity, and I am not sure - potentially the member for

Pembroke who spoke about this, I do not know if he has read the initial report from the Liquor and Gaming Commission outlining their recommendations. I do not know whether he has read their consultation material since. I do not know whether he has read other material in this space around facial-recognition technology, or whether it is information that has been provided by industry which is very much in favour of it.

The reality is facial-recognition technology is relevant to the people who are on a self-exclusion scheme. Very few people who are addicted to pokies are on a self-exclusion scheme. That is because it is so highly shameful to have a pokies addiction and to be struggling with it, that people do not come forward to seek help until the absolute extremity of their circumstance - not until their lives are destroyed. One in 10 people with a poker machine addiction will come forward seeking help and they do that at the extremity of their distress when their life has crumbled. That is the circumstance when people are pushed to breaking point by their addiction that some of them choose to go on a self-exclusion scheme or have family who assist them to engage with a self-exclusion scheme. There are a very small number of Tasmanians who are typically on that scheme. I have not checked on the numbers recently. Typically, it was always about 350 or thereabouts on that scheme in times past when I was more familiar with the up-to-date numbers. That is a very small number of the Tasmanians, who are likely to be struggling with a pokies addiction.

Facial-recognition technology means that instead of having a paper copy book with photos of people on the self-exclusion scheme for venues and workers to check as people come in, the technology does that automatically and can identify someone as they come through, presumably the door of the gaming room, and it sets up a little alarm to say this person is self-excluded. Workers are then able to engage with that person and perhaps redirect them out of the venue to give effect to the self-exclusion. That makes sense. We automate a lot of things in this day and age. It would be helpful in some ways, but that is why it is not meaningful in reducing much harm. It is a tiny number of people for people who are already at the extremity of the harm caused by poker machines. It does nothing to work against the development of a pokies addiction in the first place. That is why it is beside the point.

It is also potentially quite handy. Along with some of the other technological things that the Leader mentioned in her contribution as things the government has subsequently committed to during the election campaign around automated systems to detect problem gaming behaviour, these sorts of automation of systems within venues like that, and certainly facial-recognition technology, also present interesting opportunities for marketing purposes and the like for the industry, they also have unanswered privacy concerns around them, which the Liquor and Gaming Commission identified. There are all sorts of problems with them.

Again, it is an absolute furphy to talk about that being a meaningful way forward. By the way, we do not have to necessarily discard it. There is no reason not to do it at some point. It simply is not a priority and it is not a reason to displace the card. If all efforts were being made to implement this card, both by a government that was not internally conflicted over it, did not have to have a champion defending it on all fronts internally in the party. If the government was fully behind the card from the beginning, perhaps we could have been implementing it more promptly than we are if there was not sniping from the outside, from the Opposition and others, but certainly from the industry, perhaps it could have been implemented more quickly, who knows. All hands to the wheel would have helped.

I thank the member for Mersey for his contribution. It is always worthwhile to highlight that link that is proven to be there between gambling and gambling harm and domestic violence. When we talk about that, we have to talk about pokies because they are the form of gambling

that is most frequently the reason that people are experiencing harm. It is the biggest usage and the highest harm.

**Ms O'Connor** - Most available - most accessible.

**Ms WEBB** - It is the most accessible. It is the most frequently used. The member for Mersey mentioned, I think, a per capita figure for gambling, which was 1000 and something.

**Mr Gaffney** - Sixteen hundred.

**Ms WEBB** - Sixteen hundred. Now, a large slice of that is poker machine losses. The largest slice of it, I would imagine - I do not imagine; I know. This is a link that is real. It is one we cannot ignore. It is partly building our understanding about these sorts of links, like the very clear one between gambling harm and domestic violence.

It helps us to better understand the reality of what this public health issue is that we are dealing with when we are talking about gambling harm, particularly pokies harm, because that is what goes by the wayside when we focus in on this as just another public policy measure. As the member for Pembroke talked about, we should fully understand all our policy measures that we are implementing. We should have investigated all the impacts and the economic side of it, get a full picture of what implementation is going to mean. That is correct broadly for public policy. We should have a good clear understanding of it. But if the point of gathering that understanding of it is to be able to tear it down, and in this case, what we are talking about is a public health measure, the best sort of comparison to make would be with the public health measures and the policies we pursue when we are trying to reduce harm from smoking.

When we came, for example, to the point of deciding as a government and a community that we would ban smoking from hospitality venues, for example, I wonder if an economic impact analysis on the venues and on jobs was done then, potentially with the purpose of stopping that measure being implemented. I am sure the industry was arguing for it to be done. I do not know whether the government did it. If the government did do it, would it have been a reason? Would anything discovered in that economic impact analysis and jobs impact analysis have justified not banning smoking in venues? Would anything have caused a government to walk that back, and we did not go down that path? I wonder.

This is a similar issue here. Exactly what are we saying when we want to understand the economic impact and the impact on jobs? By all means, the reason to understand that would be to say, what might we do to have a transition plan in place or to assist industry in other ways, alongside an impact that they might feel from this policy? We do that in all sorts of other ways. Right now we are rolling out a voucher scheme because we have been so derelict in our performance of our duties as a government that we are going to have two ships that are further delayed from arriving with no berth to tie up to.

We do offset impact on industry often with other sorts of measures. Maybe that is the reason to do this kind of investigation. If that is the case, it should have been done at an earlier time in the process, and it should have been done openly and clearly and transparently, by all means.

By all means it should have, but to be very clear, it should never have been done on the basis of watering down or wheeling back the policy, because the policy is 100 per cent evidence-based, expert-informed public health policy. It is to do with an issue that costs lives. It is to do with an issue that decimates families in our community. This is a public health

measure. So in the same way that we would not have made arguments about job losses to say no, we will let people keep smoking in venues, then we would not, and should not, be making an argument about impact on jobs relating to putting in effective, meaningful, real harm minimisation in terms of pokies with this pokies card.

**Ms Forrest** - Well, they did give them a bit of a subsidy anyway by not taxing -

**Ms WEBB** - Well, excuse me, it is indeed, member for Murchison. We changed our licencing model on 1 July 2023 and gave venues a massive, unearned, massive financial boost because of the largest slice of the profit pie they now take home. That is hidden data. It should not be. Even in a de-identified way, we should know what is the average boost in the revenue retained by venues under the new licencing model compared to under the old licencing model.

**Ms Forrest** - The point I was making-

**Ms WEBB** - How many pokies venues around the state have been doing renovations in the last year? Anyone noticed any? Anyone noticed any pokies venues spending up big in their communities, doing a bit of a touch-up on the old lovely environment? Some of them have been, I will tell you that. That is because they have had a massive -

**Ms Forrest** - Been in there looking, have you?

**Ms WEBB** - No, I can see it from the outside, member for Murchison.

**Ms Forrest** - Just checking.



**Ms WEBB** - Not only that, because we could not have the casinos miss out under that new model, we did give them a lovely sweetener and let the casinos dictate their own new tax rate under that new model that came in on 1 July 2023. They now pay a massively reduced rate of tax. All parts of the industry, not just the hotels and clubs. Although there are virtually no clubs in Tasmania with pokies, mostly hotels. It is not just the hotels, but the casinos received a boost out of that too. All of that needs to be taken into account. It is hardly reasonable to cry poor if you have just, say, had a boost of, I would be guessing, more than 50 per cent in the revenue retained from profits from pokies in your venue. I would like to hear someone tell me that it is wrong and that it is lower, on average, across the state.

It has been interesting to hear the government's contribution on this motion. Laying out phases of this work is a great start. Why not give us the terms of reference fully? Why on earth go halfway there? If you are going to be honest and open, lay it all out. How can we not feel that there is something being hidden if you are not going to be open and lay out the full terms of reference and scope of this work being done? It is only reasonable for us to be able to assess and test that then. How can we take as credible a result that has been contracted under less-than-open circumstances, as this has been, hidden away? Back in August and September, all of this was playing out, as I said, not by the minister responsible for pokies regulation, not by the department responsible for implementing the policy, not by the independent Liquor and Gaming Commission. Half these things listed out in these phases that the Leader of Government Business spoke about in the government contribution, half of these things are work that should be and generally is done by other appropriate entities in this state.

We have a social and economic impact study done here, it used to be on a three yearly basis. Sadly, when we legislated the future gaming markets, that was another casualty, it shifted to every five years instead of every three, with the last one being 2021 we are not expecting the next one until 2026. Half the things laid out in the scope of these phases here from the government is work that is typically done in those SEIS reports. Normally, we get credible interstate entities to do those reports, not necessarily corporate entities like Deloitte Access Economics, often in conjunction with academic entities. It used to be the South Australian Centre for Economic Studies (SACES) and other groups like that. As soon as you see in the scope of a piece of work to look into impact of pokies, as soon as you see that it is going to look at matters regarding transfer of gambling from one form to another, you know it is written by industry. This is written by industry.

It is on the government to deny that. Industry provided the scope of this work. As soon as you see distracting flags waved, 'Look over here, look over here'. 'If we better protect people from pokie machines they will all just rush off to online gambling' is the typical one we have heard for years. There is no evidence, not one bit of evidence to support that, just to be clear right here, right now, for any members that are interested. Not one bit of evidence. Transfer of gambling from poker machines to other forms of gambling is not a thing. It rarely happens in any way that is meaningful. By the way, if it did - let us pretend for a minute there was anything to that claim - that is not a reason to not appropriately regulate poker machines, that is a reason to appropriately regulate all forms of gambling, which would be protecting consumer protection on poker machines, harm minimisation measures on poker machines. We should have the same on every other form of gambling. Just because, if it was true - which it is not - that people transferred from one to the other, it is on governments at a state and federal level, whichever is the relevant regulator, to appropriately regulate and put consumer protections in place across those forms of gambling.

This really, really sticks in my core. This is an argument that is industry written time and time again. It is rolled out by whichever party happens to be speaking about it, 'Oh no, we can't put protections around poker machines, people will run off to another form of gambling'. To hear that in this scope, laid out by the Leader, of what this is all about, this piece of work from Deloitte is just an absolute pointer to it being written by industry.

Regarding estimating the degree to which harm would be minimised under the card, I think that is a piece of work that there are expert entities that are available to do that. Why on earth are we getting Deloitte Access Economics to do that? I will be fascinated to see more detail on that. It is a shame we do not have the full terms of reference, keeping that hidden means it is going to be very difficult to give it credibility when the report comes to light.

There is a lot more I can say about this, as you well know, I think I have been quite light touch, actually, in my contribution today because I think this motion was an entirely simple one. It was factual things to note and it was a modest call which the government is still falling short of delivering on. I thank the Leader for delivering the reply, for the very minimal information provided in it is something, but how disgraceful to not even be able to be open and upfront with the Tasmanian people, with this chamber and this parliament, by releasing an actual full set of terms of reference and scope for this work.

It calls into question the validity of the work from the outset. If it cannot be tested in the public domain in terms of its full scope, its full terms of reference, then it is already looking like it is created for a particular purpose and that purpose is to portray the Tasmanian people.

I thank members for engaging with the motion. I hope members will support the call of the motion because, as I said, even if they do not share my full views and passion on this issue, it is a modest motion that deserves support in order to send a message to the government that openness, transparency and integrity are things that we, here in this place and the Tasmanian people out there in the Tasmanian community should expect and should be able to demand of the government of the day.

**Motion agreed to.**

**The Council adjourned at 10.00 p.m.**