



**LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

**STANDING COMMITTEE ON ECONOMICS, INDUSTRY
AND RECREATION**

(Reference: [Inquiry into Annual and Financial Reports 2024-25](#))

Members:

MR T WERNER-GIBBINGS (Chair)
MS F CARRICK (Deputy Chair)
MR T EMERSON
MS E LEE
MR S RATTENBURY

TRANSCRIPT OF EVIDENCE

CANBERRA

TUESDAY, 11 NOVEMBER 2025

Acting Secretary to the committee:
Mr A Walker (Ph: 620 74843)

By authority of the Legislative Assembly for the Australian Capital Territory

Submissions, answers to questions on notice and other documents, including requests for clarification of the transcript of evidence, relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Legislative Assembly website.

APPEARANCES

Gambling and Racing Commission	1
Justice and Community Safety Directorate	1

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Amended 20 May 2013

The committee met at 1.00 pm

Appearances:

Paterson, Dr Marisa, Minister for Police, Fire and Emergency Services, Minister for Women, Minister for the Prevention of Domestic, Family and Sexual Violence, Minister for Corrections and Minister for Gaming Reform

Gambling and Racing Commission

Cubin, Ms Derise, Acting Chief Executive Officer

Justice and Community Safety Directorate

Johnson, Mr Ray, Acting Director-General

Ng, Mr Daniel, Acting Executive Group Manager, Legislation, Policy and Programs Division

Marjan, Ms Nadia, Acting Executive Branch Manager, Civil and Regulatory Law Branch, Legislation, Policy and Programs Division

THE CHAIR: Good afternoon and welcome to the public hearings of the Standing Committee on Economics, Industry and Recreation for its inquiry into annual and financial reports for 2024-25. The committee will today hear from the Minister for Gaming Reform, Dr Paterson, and officials from the Justice and Community Safety Directorate, the City and Environment Directorate, and the Gambling and Racing Commission.

The committee wishes to acknowledge the traditional custodians of the land we are meeting on, the Ngunnawal people. We wish to acknowledge and respect their continuing culture and the contribution they make to the life of the city and this region. We would also like to acknowledge and welcome other Aboriginal and Torres Strait Islander people who may be attending today's event.

This hearing is a legal proceeding of the Assembly and has the same standing as the proceedings of the Assembly itself. Therefore, today's evidence attracts parliamentary privilege. The giving of false or misleading evidence is a serious matter and may be regarded as contempt of the Assembly.

The hearing is being recorded and transcribed by Hansard and will be published. The proceedings are also being broadcast and webstreamed live. When taking a question on notice, it would be useful if witnesses used these words, "I will take that question on notice." This will help the committee and witnesses to confirm questions taken on notice from the transcript.

We welcome the Minister for Gaming Reform, Dr Paterson, and officials. Please note that, as witnesses, you are protected by parliamentary privilege and bound by its obligations. You must tell the truth. Giving false or misleading evidence will be treated as a serious matter and may be considered contempt of the Assembly. When you first speak, please confirm that you understand the implications of the statement and that you agree to comply with it.

As we are not inviting opening statements, we will now proceed to questions. Minister,

ACT government committed to implementing account-based gaming by 2026-27. How are you tracking towards this goal?

Dr Paterson: Thanks for the question. I acknowledge the privilege statement. There has been significant work undertaken over the past year to progress account-based gaming. The government has set up a working group to work with a range of stakeholders to pose key questions that will underpin the account-based gaming framework that the government will move to implement in 2026-27.

Some key features and key questions that have been put to this group include looking at mandatory precommitment, where individuals can set personal loss limits, mandatory breaks in play, account-based gaming exclusions, activity statements, and a whole range of other measures that would be included in account-based gaming.

We have been receiving a range of advice from, for example, the academics who completed the ACT gambling prevalence survey to ensure that this is all underpinned by the evidence base. We are particularly lucky to have this significant work that is undertaken within the ACT. It is one of the largest surveys undertaken in any policy area, with 10,000 residents participating in the survey. It gives us a really good snapshot of where the gambling is occurring and where the harm is occurring.

The workshops have been a great success and will continue. There will be another workshop before the end of the year, and we will continue to progress to see this framework implemented.

THE CHAIR: You mentioned a couple of harm minimisation measures when you were talking about these reforms. Can you tell me a little bit more about the harm minimisation measures that you are considering including? Is it still being considered? Are they going to be implemented or are they being considered as part of the package of reforms, and what will be the impact?

Dr Paterson: Mandatory precommitment is the central premise of account-based gaming. There are some key questions that are raised in respect of that, in terms of whether there is a default limit, whether someone just cannot set up an account without a limit, and what would be a maximum limit.

There are a lot of questions around mandatory precommitment that are questions that have been, or will be, discussed within this working group. I refer to breaks in play and how that happens; is it a length of time for breaks in play; does someone have to move off the gaming floor; how does their account work; is it suspended? There are these kinds of questions, along with gambling self-exclusion in relation to the accounts. There are a lot of questions raised. For example, would someone's account be suspended or would their account be closed if they self-excluded under account-based measures?

These are all questions that are raised by the positioning of the measures that the government would like to see implemented, and we are working with the working group to discuss these measures and attempt to reach a form of consensus for the implementation of this.

THE CHAIR: My final question on this topic is: how are you going to measure the

outcomes when account-based gaming is implemented?

Dr Paterson: Having the prevalence survey now, as in 2025, will provide a baseline dataset for the implementation of this. In 2026-27, when this is implemented, there will be a couple of years before the next prevalence survey. That should give us a good indication of whether the harm has reduced at all, in relation to poker machines in the territory.

MR RATTENBURY: Minister, you talked about managing precommitment and personal spending. Do you have a policy position on what that level should be or how it should operate?

Dr Paterson: Individuals will set their personal limit. We are working on whether there is a maximum or what a maximum limit is. I believe that there should be a maximum limit. You cannot set it to a million dollars, for example. There is what that is, as well as a default limit—or can you not set up an account without setting a limit? These are some of the considerations.

There is also some work being done around what will need to be a significant education piece around this. There is a lot of data in the prevalence survey which indicates, for example, that if your income is at a certain level, what would be a recommended personal spend limit? The other question is: are they daily limits, weekly, monthly or yearly? How will this be positioned? These are all issues that we are working through with the working group.

MR RATTENBURY: You do not actually have a policy position at the moment?

Dr Paterson: No. This is what we are discussing with the working group, to work out what the group believes will be the best outcome, which will ultimately be reducing harm.

MR RATTENBURY: I note in the annual report, under this section, it says:

The Government is also considering the banning of ATMs and EFTPOS withdrawals in clubs with poker machines, in tandem with the introduction of account-based gaming.

If you are moving to a cashless gaming model, why do you need to ban ATMs and EFTPOS withdrawals in a venue?

Dr Paterson: There will not be a need.

MR RATTENBURY: Why does the annual report say that?

Dr Paterson: That is there on the table. Ultimately, if we move to a cashless venue operation, people could still withdraw cash to pay for their meals, but they would not be able to play with cash.

MR RATTENBURY: I agree with you; it is just that that is exactly the opposite of what your annual report says.

Dr Paterson: The annual report reflects the election commitments, and that is still on the table, potentially. The idea is to implement account-based gaming so that people cannot use cash in their gaming.

MS CARRICK: I want to ask about the mandatory precommitment. How does that work when you can just hop on a bus in Woden and go to the Tuggeranong town centre, the two town centres, and access five gaming clubs just on that short alignment?

Dr Paterson: You will have to go into each club and go through a verification process and account set-up process in each club, and you will have to set limits within each club.

MS CARRICK: You will do that once, you will set up your account with each club; then you just hop on the bus and go from one to the next?

Dr Paterson: Yes.

MR PARTON: I think what Ms Carrick is getting at is that, once you have gone through the process of setting up mandatory precommitment at five different clubs, she is saying there is nothing to stop you getting to your precommitment level at one club, leaving and walking across the road to the next club and starting again. That is the situation?

Dr Paterson: Yes, that is the situation.

MS CARRICK: In your consultation paper, it says, “What contributions made by clubs to the ACT community need to be sustained and safeguarded as part of this transition?” This is question 1; you asked for responses to these questions. Are the contributions made, the community contributions, reported publicly? I can see some annual reports that have pages and pages of community contributions, but for other clubs I cannot find the annual report and I cannot find the community contributions or, indeed, the revenue from poker machines. Is it publicly available, every club and their community contributions, who it is paid to and how much?

Dr Paterson: I will ask Ms Cubin from the Gambling and Racing Commission to answer this question.

Ms Cubin: I have read and acknowledge the privilege statement. Thank you for your question. The legislation requires that the annual reports are published and that the information and contributions are identified through the annual report of each particular club. They can also put a written statement highlighting the contributions—percentages as well—that they have provided. I guess it depends on the detail that you are looking for, Ms Carrick.

MS CARRICK: I am looking for the detail of each community contribution, who it is to and how much it is, so that the question about whether it can be sustained or not can be answered.

Ms Cubin: From our perspective, we are looking at whether or not the reporting has

occurred. We are looking at compliance with the legislation, the contribution amount and who it is made to or for, in regard to the legislation.

MS CARRICK: Can you give me—maybe on notice—what legislation and what section it is that requires an annual report and what it requires, and which clubs do it and which clubs do not?

Ms Cubin: Yes.

Mr Ng: I have read and acknowledge the privilege statement. Ms Carrick, I could refer you to section 172 of the Gaming Machine Act. That act sets out what must be included in the content of a licensee's annual report, particularly with respect to the value of community purpose contributions and the like. That should set out the answer to your question.

MR EMERSON: The Gambling and Racing Commission's annual report indicates that gambling harm reports are surging. They are on the up, with quite a few of them, with two in every 100 reports of gambling harm prompting a referral to the ACT self-exclusion system or support services.

The rise in harm, I suppose, corroborates the 2024 report on gambling reform in the ACT from the ANU Centre for Policy Research, which found there was no evidence that the surrender of EGM authorisations had reduced EGM expenditure. That suggests that the reduction in licences led to the increased utilisation of remaining EGMs, rather than a reduction in gambling losses overall. Does the government accept that current policy steps that have been taken so far have served to concentrate gambling harm, rather than reduce it?

Dr Paterson: This is a long-term policy agenda to reduce access to machines over a long period of time. We have not yet reached the stage where there is any impact on accessibility of machines to the public. In fact, in some cases venues are relinquishing authorisations which actually are not machines on the ground.

That is why we have the clubs inquiry, because we want to see a long-term transition of clubs away from a reliance on gaming machine revenue. This will require clubs transitioning their business model, basically. It will likely still take time before there is a substantial impact of a reduction in access to machines in venues, in terms of having an impact on the level of harm. That is why the account-based gaming is so key to the short and medium-term impacts and in terms of addressing the harm.

Ultimately, the machine reductions are the big-picture view of the territory, in terms of what we want for the territory. We are seeing a situation where the gambling landscape has changed quite significantly over the past 20 years. We are seeing more and more young people engaging in gambling activities and engaging in poker machine activities. The prevalence survey demonstrates that not only are men under the age of 40 engaging in online gambling disproportionately; they are also engaging and experiencing the bulk of the burden of harm of poker machines.

That is why I think it is critical to have the long-term phase-out of machines, to a point of 1,000 by 2045, which is the government's policy, and that is the premise for the basis

of the inquiry. Ultimately, in time, venues will have to change their gaming floor layout, they will have to change the way their venues are positioned, the way their business model works, what they are investing in, and what they are proposing to the community as community benefit.

The idea behind that is that you will have less and less people who will see gambling as a normal, everyday part of their trip to the club for their meal and, ideally, a cultural change over time. I think we are seeing that more and more, with the discussion around gambling and its impacts. We have seen it over the past few weeks, with all the sporting grand finals and the Melbourne Cup. A lot of advocacy groups have highlighted the intersection of gambling, drug and alcohol use with domestic, family and sexual violence, and particularly occurring for these big sporting events.

I think that, more and more, the public education around the impacts of gambling is happening. Ultimately, machine reductions are the long-term plan. I think that we want to see a sustainable club sector and we want to see a re-imagined club sector in the ACT, and I think that they need time to do that. I do not think that that is any reason to stop working to address the harm that is happening in venues and at machines at the current point in time, which is why account-based gaming is so important.

MR EMERSON: Does the government accept the ANU report's indication that gaming machine density would have to fall below the levels in Victoria, equivalent to around 2,000 machines in the ACT, before there was any impact?

Dr Paterson: Possibly, and this is also what the clubs inquiry will be looking at. I am very interested to know when there will start to be a predicted impact. The club sector is aware; this has been on the table for at least the past year, since the last election. This is what we took to the election. This is why we are doing the clubs inquiry, because they are currently heavily reliant on gaming revenue. We need to see them transition away from this revenue stream and invest in other things, which will take time. Again, that should not come at the cost of implementing harm minimisation measures in venues and on machines, which is why it is so important that we get the account-based gaming framework implemented.

MR EMERSON: Under the government's policy, when will we reach 2,000 machines? You mentioned a thousand by 2045.

Dr Paterson: A thousand?

MR EMERSON: You mentioned a thousand by 2045; when would we reach 2,000—that threshold?

Dr Paterson: It will be a reduction in every term of government. Two thousand would be 2037, a bit over 10 years—three terms of government.

MR EMERSON: I am a little bit confused about the policy, because that gives us 12 more years before we see a change, which is a pretty long time to continue seeing harm. There is this push for diversification. I suspect that, if their analysis is correct—the government seems to be open to it being correct—we will see at least a continuation, if not an ongoing increase, in harm over the next 12 years—

Dr Paterson: No, that is—

MR EMERSON: until that threshold is reached.

Dr Paterson: No, not at all. That is why we have the account-based gaming. You are completely ignoring that in that proposition. Even if you moved to a thousand machines in 10 years time, you would likely destroy the club sector. They would not be able to diversify. It would not be sustainable in that time, and you would still continue to see a concentration of the harm because you have not done anything to change people's play. People will still continue to play. Those people who are experiencing significant gambling harm will continue to play the way that they are now. You need these measures at machines and in venues to change people's behaviour.

With the long-term picture of the machine reductions, that is not designed to impact the harm overnight. This is a long-term change of the market, basically, and a transition away from the clubs being reliant on gaming machine revenue. That is the long-term plan. Ultimately, the proposition with that is that it will change the culture of the territory.

The short-term proposition, and what will have an immediate impact on harm—and this is all through the research—is mandatory precommitment, breaks in play, measures at machines, activity tracking and load-up limits. All these technological measures are what will impact the harm, and that is what we will progress, with the long-term vision of seeing clubs transition out of machines.

MR EMERSON: If the reduction in machines is not what is going to reduce harm, why is it being done so slowly? This is the part that I am struggling to understand. If you do not expect the reduction in machines to have an impact on revenue—

Dr Paterson: Not an immediate impact, no.

MR EMERSON: what is the risk to the club sector in moving more quickly, if they are not going to see a reduction in revenue until 2037, based on the modelling?

Dr Paterson: There is a big risk to the club sector in that they will very much not look like the club sector that we know currently. It will not be sustainable, and clubs will not have the opportunity or chance to diversify.

We have heard a lot from clubs over the last term around the challenges of getting developments and progressing diversification activities through the planning system, which, again, is a significant part of the clubs inquiry—looking at how we support them to address some of those blockages that have been holding up developments. I think there is a lot of work that needs to occur within the club sector. The people who sit on boards of clubs are not property developers. They have not necessarily had a lot of experience in these diversification activities that we are saying that they need to start to invest in.

Some of the big clubs have master planning underway, which I think ultimately will lead to good outcomes for club sites, but many do not. You will end up with piecemeal

development happening on sites, which I do not think will lead to a good community outcome. I think the whole premise of the clubs inquiry will present government with a raft of recommendations around how we can support clubs to diversify. I think this will take time, and we do want to bring the club sector with us. I think we can re-imagine what clubs look like, how they use the community benefit and what their role is in contributing to the community through this process. We want to do it in a sustainable way.

MS CARRICK: On that line of questioning, what assessment has been made of the clubs' revenue base? Some of them are earning, outside the pokie money, quite big money. They might be getting \$20 million or \$50 million in addition to the pokie money. What assessment has been made about how much you need to survive? If you are getting \$50 million, in addition to your pokie money, is that not enough?

Dr Paterson: These are questions that clubs will have to answer themselves over the long term: what is sustainable for them? How do they diversify? What do they invest in? But it will be based on the premise that, every four years, they will see a reduction; they will know how much their revenue base will reduce over this time. As machines reduce by 500 per term of government, it is proportional. With each club, the larger clubs lose more machine authorisations and smaller clubs, or clubs with under 20, do not lose any.

The idea is that the clubs will have a very good idea of the impact that the machine reductions will have every four years, as part of this process, on their bottom line. It is for them to go about deciding what the future of their club group or club looks like, and what they decide to invest in.

MS CARRICK: If they are making \$50 million in addition to the pokie money, do they need to diversify? They are making a lot of money already.

Dr Paterson: We are saying that they do need to diversify. The government's policy is that, over the next 20 years, they will need to diversify their revenue stream—unless they do not want to, and they feel they can do without that income. In that case they can go on and do what they are doing. But they will do it with reduced machine authorisation numbers in every term of government.

MR PARTON: Minister, I will quote from your answers today. You have talked about a re-imagined club sector at the end of this process. In reflecting on various possibilities of machine reduction, you also spoke of destroying the club sector by various—

Dr Paterson: No, do not take my words out of context.

MR PARTON: That is what you said. It is in the *Hansard*.

Dr Paterson: I said that, if you reduce in 10 years, that could destroy the club sector.

MR PARTON: Okay. Along those lines, in your vision of the re-imagined club sector, referring back to Ms Carrick's question earlier, has the government done any modelling and is there any position on how that re-imagined club sector is going to relate to community contributions as they stand today, in 2025?

Dr Paterson: That is exactly what the clubs inquiry is looking at.

MR PARTON: Okay. In answer to a question without notice in the chamber from Ms Carrick in the last sitting week, Ms Berry, as sports and rec minister, was asked about the possible closure of bowling greens in Ms Carrick's electorate. Ms Berry responded by saying that it was not for the government to replace infrastructure and assets from, as she described it, businesses—private businesses.

Can we take this to mean that, when the community contributions do dry up, as obviously they will, on the basis of the program that we are going for, the government will not be stepping in and enhancing or trying to replace the infrastructure that has been provided until this point by community contributions?

Dr Paterson: This is what the clubs inquiry is looking at. This has all been explored by the panel who has been asked to look at these issues. Again, these are independent businesses or not-for-profits, so that is a question for them in terms of what they see as viable facilities for their operations. There is a whole raft of questions around the planning side of things that are being asked by the clubs inquiry that will look at where we go with all of that following the inquiry recommendations.

MS LEE: I think it is important to put this on the record, but you will be familiar with it. It is from page 34 of the annual report, under “gaming policy”. It states:

The Directorate believes implementation of gaming related commitments that aim to minimise the harm caused by gaming in the ACT community, whilst supporting a sustainable community clubs sector.

In a public hearing that this committee held for the inquiry into barriers to participation in sport, ClubsACT gave evidence and spoke about many clubs that are working very hard to diversify away from gaming revenue by—and you have referenced this yourself—trying to develop housing, community facilities and the like. They are finding it incredibly difficult because of the significant barriers that are being put up. Again, I think you referenced some of those barriers as well.

One club—they probably approached you as well—that I have had multiple meetings with is facing an increase in their rates, in relation to a parcel of land that they own that they are trying to develop, including for housing, from \$44,000 to over \$600,000. Given that your own gaming policy specifically talks about supporting a sustainable club sector, how is putting up rates and LVC, or whatever it is, supporting your policy objective?

Dr Paterson: That is really a question for the Treasurer; that does not sit under me.

MS LEE: I understand that. Let me rephrase that. Have you had meetings with the Treasurer about this?

Dr Paterson: I have had lots of engagement with the Treasurer's office around this issue. This is an issue that is also very alive in the clubs inquiry. You are best putting that question either to the Treasurer or waiting to see what the clubs inquiry

recommendations are, and going from there.

MS LEE: Okay. In relation to that, what have you done, as the minister with responsibility for this policy area, to ensure that those barriers, which, as you have said yourself, have been raised multiple times, are being addressed?

Dr Paterson: My focus is on reducing gambling harm. My focus is on implementing the government's policy to reduce machine numbers and to implement account-based gaming. To do that, and as part of that process, we have the clubs inquiry, which will make a raft of recommendations to government around how we can work with the club sector to see sustainable, long-term outcomes for community benefit.

As part of all those discussions and all that work, there will be recommendations and further discussions around these issues, which I have no answer to at this point in time. We will wait for the recommendations to come.

MS LEE: Do you accept, though, as the minister who is working to support clubs to diversify away from gaming revenue, that barriers like putting up rates from \$44,000 to over \$600,000 will be an incredibly difficult challenge to overcome, to be able to do what you have asked them do, or forced them to do, which is to diversify?

Dr Paterson: As I said, I think that is more of a question for the Treasurer. I will be seeking to work with clubs around recommendations that may come out of the clubs inquiry to see a sustainable club sector over the next 20 years.

MS LEE: You have referenced the clubs inquiry a number of times. Can you tell us, on a practical level, when the findings are due and what is the timeframe for the government to respond to those recommendations?

Dr Paterson: I believe it is early next year, March 2026.

MS LEE: March 2026?

Dr Paterson: Yes.

MS LEE: Do you have a timeframe in which the government will respond?

Dr Paterson: No.

MR PARTON: In regard to the independent inquiry into the clubs industry, is it correct that ACTPS staff are supporting the inquiry? If so, would you be able to provide details like the type of work they are undertaking, the amount of resources that have been committed and the level of those staff? Is it possible for us to get that information?

Dr Paterson: Yes.

Ms Marjan: I have read and acknowledge the privilege statement. Thank you for your question. Just to provide some context, the successful tenderer was selected as part of that procurement process, at a cost of \$470,000 for the inquiry. Separately to that, staff within the Justice and Community Safety Directorate have particular secretariat

functions to support that inquiry. Some of that work includes undertaking some research to support the inquiry, if required, other logistical and administrative work, and supporting some of the consultation activities as well. There is certainly a small team within the JACS Directorate that is providing some secretariat support to that independent inquiry.

MR PARTON: Minister, are these staff still formally part of the ACT public service?

Dr Paterson: Yes.

MR PARTON: Are they subject to direction from you, as the minister, or from senior executives?

Dr Paterson: I would say subject to direction from the director-general.

Mr Johnson: I have read and understand the privilege statement. What we are saying is that they are public service employees and, as per the act, they would be under the guidance and direction of the public service, as would any other public servant.

MR PARTON: What we have here is an independent inquiry where the staff supporting the inquiry are not actually independent; is that what you are telling me?

Dr Paterson: Staff supporting the inquiry are public servants. But the chair—

MR PARTON: Under your direction?

Dr Paterson: I have not directed them, other than—

MR PARTON: But you could?

Dr Paterson: offered their support for the inquiry.

MR RATTENBURY: I want to ask about the gambling harm prevention and mitigation funding guidelines. You changed these earlier in the year.

Dr Paterson: Yes.

MR RATTENBURY: Have there been any payments made under the fund since that time?

Dr Paterson: That is a question for the commission.

Ms Cubin: Do you mean in regard to grants or—

MR RATTENBURY: The updated guidelines allow payments from the fund to be used for a range of different measures. I want to understand whether there have been any disbursements from the fund in that time, particularly ones that perhaps have not been made before, but can be made now, under the new guidelines—away from BAU into perhaps what the new intent was.

Ms Marjan: Thank you for your question. In relation to whether there have been any new proposals since the guidelines have been expanded, the answer is no.

MR RATTENBURY: Minister, what was the purpose of changing the guidelines?

Dr Paterson: As you would be aware, that was advocacy last term around the guidelines being too narrow. I believe part of the joint agreement between Labor and the Greens was to expand those requirements, so that is what we have done.

MR RATTENBURY: The annual report also notes that you have engaged with the minister with responsibility for suburban land development to support establishment of a pokie-free club venue in the Molonglo town centre. How is that going?

Dr Paterson: As members would know, there is work progressing on developing the future town centre in Molonglo Valley. The work around a club in Molonglo is contingent on the establishment of the town centre there. That work, and working out appropriate locations for potential club sites, is part of the work that is being done.

MR RATTENBURY: Are you offering any incentives for the establishment of such a venue?

Dr Paterson: That is a question that I hope will come out of the clubs inquiry, in terms of how clubs either may develop or could be supported to be pokie-free.

MR RATTENBURY: Basically, most of your policy work is outsourced at the moment to the clubs inquiry, the working group and the Treasurer.

Dr Paterson: Yes. We have a lot happening at the moment.

MR RATTENBURY: In response to Mr Emerson's questions earlier, you were talking about the cashless gaming model. You indicated that it is about changing people's behaviour. If people can set their own mandatory precommitment levels, and they can get as many cards as there are venues in the city, how do you believe it will change people's behaviour?

Dr Paterson: Because that will take significant time, effort and resources for an individual to go to every different club and set up a new account. Currently, we have no measures on machines to restrict people's play or change behaviour. As you know, ex-Minister Rattenbury, this was the debate we had last year around the CMS. You know exactly what this is. I will go through it again. I will step you through it.

MR RATTENBURY: Before you—

Dr Paterson: Last term—

MR RATTENBURY: It is a fair question to ask what your policy is, Minister—

THE CHAIR: Have a listen.

Dr Paterson: Last term, because you seem to have a bit of amnesia about what happened last term—

MR RATTENBURY: Chair, is this really an appropriate response?

THE CHAIR: Just answer the question.

Dr Paterson: We had a—

MR RATTENBURY: It was a polite question, Chair, and this is an inappropriate answer.

THE CHAIR: She is answering it now.

Dr Paterson: As was debated last term, a central monitoring system at \$170 million is not sustainable if you reduce machine numbers. We could have gone with a \$170 million central monitoring system that was governed by the gambling industry. It is Maxgaming Technologies that govern this. If that was to be implemented, it was not sustainable to reduce machine numbers.

The question before the Assembly last year was: do we progress with a \$170 million investment in this system when we want to reduce machine numbers? Ultimately, at the ACT election, we were elected on a policy platform to reduce machine numbers. This was also a question in the gambling prevalence survey, which said that 70 per cent—I can get the actual figure—of ACT residents wanted to see a reduction in machine numbers.

We are continuing to progress this. If the Greens want to keep machines in the territory, the Greens can continue to progress advocacy around bet limits and a CMS. As far as the government is concerned, that is in the past. That discussion has passed. As you said, we have significant work underway at the moment with the clubs inquiry.

You are laughing, Mr Rattenbury, but this is more work than you did in the entire last term of the last government.

MR RATTENBURY: I am laughing at how much rent-free space I have in your head, Minister.

THE CHAIR: Ms Carrick?

Dr Paterson: Because I care about this issue—

MR RATTENBURY: This is quite a spray. This is entirely unnecessary—

Dr Paterson: Because I care about this issue.

THE CHAIR: Mr Rattenbury! Minister! It is unnecessary.

MR RATTENBURY: I asked the question—

THE CHAIR: Ms Carrick has a supplementary.

MS CARRICK: Minister, with no pokies in Molonglo, in the club, who will make the community contributions to the sporting clubs? Will it be the government?

Dr Paterson: Ms Carrick, the Assembly supported last year that there will be no machine authorisations in Molonglo Valley, ever, or any other new suburbs in the ACT. Again, this is a move to see a reduction in access to machines across the territory.

I would imagine that there is a raft of savings that will come from residents in Molonglo Valley who do not experience harm from gambling—harm that does cost the taxpayer because of the level of harm. The government is already committed to a range of sporting venues and facilities in Molonglo Valley.

Those questions are better positioned to the sports minister. But there will not be clubs that have machines for community contributions. A club's premise is about communities, community contribution and community benefit, so you would hope that a club that is being established in Molonglo Valley would contribute to their local community. They just will not have the millions and millions of dollars, the \$190 million, for example, that was revenue from the clubs in the last financial year.

MS CARRICK: We are assuming that the food and beverage sales will now fund the sporting organisations?

Dr Paterson: No, that is not it. With the new model for a club in Molonglo, they will establish however they want. But they will not be based on the same premise as the current model for clubs.

MR PARTON: Minister, in an interview with the *Canberra Times* on the anniversary of last year's election, the Chief Minister spoke about the redevelopment of Canberra casino and how it would bring more people into Canberra from overseas and into Civic. This followed changes to the administrative arrangements in June, which gave the Chief Minister responsibility for the casino redevelopment as a strategic economic development project. Can I ask you, in this ministerial space, what are the plans for the casino's redevelopment?

Dr Paterson: You cannot ask me that because that is a question for the Chief Minister.

THE CHAIR: Have you finished?

Dr Paterson: Yes. That is a question for the Chief Minister, about that—

MR PARTON: All right. This is more in your space: I understand there was an in-principle agreement reached in 2016 between the government and Aquis Group, who owned the casino at the time, for the casino to give up control of land that would be needed to expand the convention centre, in exchange for the ability to operate hundreds of poker machines. Can you confirm whether this agreement still stands, following the casino's acquisition by IRIS Capital?

Dr Paterson: No. I will ask officials to correct me if I am wrong, but I believe that the machine agreement around the casino ended in 2023. I think that was part of an act that was introduced to the parliament in 2017. That was to see \$2 machines introduced into the Assembly—

MR PARTON: The Assembly? Bring that on!

Dr Paterson: into the casino, if the casino was to have machines.

MR PARTON: Can I close on that line of questioning by asking this: I have received advice that the convention centre site, which is around 14,000 square metres, would be worth around \$60 million to \$80 million. But when combined with the southern portion of block 16, it would yield an additional 6,000 square metres. That could accommodate an additional one or two towers, increase the site value to \$105 million to \$120 million—

Dr Paterson: This is not my portfolio.

MR PARTON: so my question to you is: have you been asked to support relaxed gaming restrictions to enable this development to occur at the casino?

Dr Paterson: No, I have not been asked to support relaxed gaming restrictions. The discussion at the moment is around: if there was legislation introduced to allow the casino to have machines, what would be the regulatory framework that would be applied to them? The answer to that is that it would be broadly the same as for the clubs.

MR PARTON: If there was an arrangement where Civic pool relocated to Commonwealth Park, the convention centre was relocated to the current pool site, and a significant development occurred at the current convention centre site, including a deal with the casino, would you expect, in your role as minister, to be involved in that process?

Dr Paterson: As for how I will answer that question, everything you are saying sits firmly outside my portfolio area. I will answer that question by saying: my expectation would be, if there was legislation introduced to allow the casino to have machines, I would expect to be significantly involved in the development of the regulatory framework that would oversee that. As a broad starting point, I would be seeking the same regulatory framework, broadly, as for the clubs.

MR PARTON: It makes the reduction look interesting, though, doesn't it?

THE CHAIR: Ms Clay?

MS CLAY: Minister, the horseracing industry now gets special access to the government insurance scheme in a special bill brought by Minister Pettersson recently.

Dr Paterson: Yes.

MS CLAY: Were you involved in the policy or the consultation on that bill?

Dr Paterson: That is Minister Pettersson's bill.

MS CLAY: Yes, it is Minister Pettersson's bill. Were you involved in the policy or the consultation on that bill?

Dr Paterson: No.

MS CLAY: In addition to special access to the government insurance scheme, and the government funding, which is more than for all of our professional and community sports combined, the horseracing industry is also diversifying. You have spoken about their diversification before; how do you think it is going?

Dr Paterson: Good. I think they are doing a lot of different activities. They also have their development application, for the Territory Plan amendment, underway to see development on their site.

MS CLAY: I do not think that is true. I believe the Planning Authority rejected their development application.

Dr Paterson: You might be quite right. That question is much better placed with the planning minister.

MS CLAY: In Thoroughbred Park's annual report, they say—and I will quote from their annual report this year:

The two key items for the future are a fairer ACT Government model for funding, and the development of the Thoroughbred Park Precinct Master Plan.

The horseracing industry obviously considers that continued funding and higher funding is a core element of their ongoing survival. Do you have a view on that?

Dr Paterson: As we discussed during estimates, that will be a matter for future consideration.

MS CLAY: Do you think that their diversification is going quite well, despite what they are writing in their annual report?

Dr Paterson: I did not say "despite". I think they are doing a lot to diversify their business model, and they are also looking to develop their site. These are activities that I think will assist the club in diversifying.

MS CLAY: We had the report some time ago that showed their primary economic contribution to Canberra is from betting and ads on betting. Do you have any views or policy about how you might reduce the harm from that economic contribution that they are making at the moment?

Dr Paterson: We had this discussion at the last hearing. There is a range of measures that the government will look to. A lot of the online gambling side of things sits at the federal level—continued advocacy to see reform at the federal level to address the impacts of online gambling. We are also looking at doing work here on the impacts of

the advertising, as well as community education around the harm that comes from online betting.

MS CLAY: Do you think that it is a valuable economic contribution?

Dr Paterson: It is an MOU that the government is delivering in conjunction with the racing industry here in the territory, and what that looks like into the future will be a matter for cabinet consideration.

MS CLAY: Around Australia, it looks like, industry-wide, horseracing industry wagering has gone up, and it looks like the Melbourne Cup was pretty well attended. But here in the ACT betting on horseracing has decreased. The membership subscriptions for the horseracing industry have been dropping over the last five years. They dropped another 20 per cent over the last year. Do you think it looks like Canberrans are not very supportive of the horseracing industry? Does it look like the ACT government is offering a lot of assistance to an industry that maybe the people here do not support very strongly?

Dr Paterson: What it looks like is that it will become more and more important for Thoroughbred Park to diversify its revenue activities.

MS CLAY: In their annual report, they put up their best-attended event, which was not a horseracing event, interestingly. It was the Festival of Speed. Do you think that is another sign that Canberrans maybe are not that interested in going to horseracing?

Dr Paterson: I think that is a sign that Thoroughbred Park has done really well in looking to re-imagine their revenue, and looking to how they can better contribute to the Canberra community and offer an array of different activities, events and opportunities to contribute to the Canberra community.

THE CHAIR: Minister, you mentioned the gambling prevalence survey. What does that tell us? Is it explicit? Does it tell us explicit things about gambling harm in the ACT or is it more general? I want to know how you are going to use the findings.

Dr Paterson: The gambling prevalence survey is a core piece of research that happens every five years. Basically, it is to get a baseline understanding of the level of harm in gambling activity in the territory. Similar to what Ms Clay said, that there has been a reduction in people betting on horses, there has also been a reduction over time in people gambling at all. We continue to see a reduction over time, but what we are seeing is that the harm has remained relatively stable over probably the past 10 years, which is not what we want to see. As a government, we want to see the harm reduced.

We have seen a change in who is being impacted by gambling harm. What I think is really stark from the last two prevalence surveys is the impact of gambling on young men, or men under the age of 40. I think this is a demonstration of how the advertising has been highly successful in not only changing the dynamics and engagement of young men on gambling apps but also normalising gambling activity across the board.

There seems to be a community perception sometimes that it is older people potentially gambling, and that poker machines are a thing of the past, but that is not what is coming

out of the prevalence survey. It seems that it is young men who are predominantly being harmed by poker machines and bearing the bulk of expenditure on poker machines. Speaking to the evidence base and using that, what we—

THE CHAIR: How are you using the findings to inform the harm reduction agenda?

Dr Paterson: Currently, work has been undertaken to look at where the recommended precommitment levels will be, whether they are based on different people's income or type of education, and what would be a maximum limit for precommitment. We will use the prevalence survey data to advise on all these things. Also, as I said, it provides a really nice baseline for the implementation of account-based gaming. What the government has committed to is that account-based gaming will be implemented before the next prevalence survey.

Ideally, we would like to see a reduction in the level of harm—hopefully, a little bit, at least. The next prevalence survey will provide a dataset that will measure that, going forward into the future. I think it is really critical that we are measuring the impacts of this policy, with the overarching idea to reduce the level of harm in the Canberra community.

MS CARRICK: My question is about the accountability indicators. I note that, in the commission's annual report, you have three. One is that you will make a public statement of expectation, which you achieved, and another is that you will report annually on your regulatory activity, which you achieved. I could not see in the JACS report any accountability indicators at all. Do you think that these accountability indicators are adequate to demonstrate your accountability regarding harm minimisation from gambling, and will you strengthen them?

Ms Cubin: The Gambling and Racing Commission has its independent hearing next week, where some of these questions can be teased out in more detail; the chair will be there as well. The statement of intent and expectations has highlighted all the deliverables for the commission. Whilst we have the accountability indicators, they are supplemented by those other elements of what the commission wants to achieve in the coming year.

MS CARRICK: In publicising a statement of expectations, that does not say what your achievements against them were.

Ms Cubin: With respect to what the commission has done over the last year, under that statement, each individual area within the commission has an operational business plan with specific, defined KPIs for delivery around the licensing area, and KPIs on delivery of approvals that happen. There are KPIs that relate to investigation timeframes. There are also, for our gambling harm prevention team, KPIs around deliverables on work that they are doing. Collectively, all of that seeks to support the intent of the commission on harm reduction. Whilst the accountability indicators are high level, all the information that underpins them leads to the outcomes.

MS CARRICK: Is that information that underpins them published? Can we see that?

Ms Cubin: Some of the individual elements, absolutely, will be published. The KPIs

are set for the business plans, and the intent of the commission is to have transparency around all those types of elements, so we expect that it will be published.

Dr Paterson: We have the public health strategy to address gambling harm, which expires, I think, at the end of this year. The commission is working to evaluate the current strategy and then move to the development of another strategy, which will provide that public health lens in terms of how we reduce gambling harm. That process will highlight what regulatory activities can contribute to a public health strategy to address gambling harm.

THE CHAIR: It is 2 o'clock, and another committee will be meeting very shortly. Were there any questions taken on notice?

Mr Ng: Chair, could I clarify some evidence that was given earlier?

THE CHAIR: Yes, sure.

Mr Ng: There was a question about the reporting date for the clubs inquiry, and I gave the minister a March date. It is actually May 2026.

THE CHAIR: Thank you very much. On behalf of the committee, I thank you for your attendance today. We also thank broadcasting and Hansard for their support. If a member wishes to ask questions on notice, please upload them to the parliamentary portal as soon as possible, and no later than five business days from today. We are adjourned.

The committee adjourned at 2.00 pm.