

TASMANIAN GAMING COMMISSION

2005-06 ANNUAL REPORT

Chairman’s Report	4
Introduction	6
Functions of the Commission	7
Support to the Commission	8
Participation in Working Groups and Other Forums	8
Legislative Framework	10
<i>Gaming Control Act 1993</i>	10
<i>TT-Line Gaming Act 1993</i>	10
Major Activities and Gaming Developments in 2005-06	11
Commission Strategic Plan	11
Harm Minimisation Initiatives.....	11
Assessment of New Games and Jackpot Systems and Application of National Standards.....	12
Public Accounts Committee	13
Gaming and Liquor Information System	13
Impact of Smoking Restrictions on Gaming Activity.....	14
Risk Based Compliance Project.....	14
Betting Exchanges	15
Communications	16
Gaming in Tasmania	17
Casino Operations.....	17
Wrest Point Hotel Casino and Country Club Casino.....	17
Licensing of Casino Staff.....	
Admirals Casino Pty Ltd.....	17
Gaming in Hotels and Clubs	18
Operation of Keno in Hotels and Clubs	18
Licensing of Special Employees and Technicians.....	19
Responsible Service of Gaming Courses.....	19
Tasmanian Gaming Licence Operations	20
Minor Gaming.....	20
Community Support Levy	21
Problem Gambling Category	22
Charitable Organisations Category	23
Sport and Recreation Category	23
Equipment and Manufacturers	24
Gaming Inspection	24
Breaches of the Legislation	25
Licensed Venues	25
Special Employees	26
Appendix 1 - Community Support Levy Grant Recipients 2005 – 06	27
Charitable Organisations Grant Program.....	27

Facilities Grants Program	30
Community Grants Program	33
Statistics	39
Gaming Turnover, Taxation and Fees 2001 02 to 2005-06	40
Tasmanian Annual Gaming Machine Turnover and Expenditure	44
Tax Rates Relating to Gaming Activities in Tasmania.....	43
Licensed Premises Gaming Licence Applications 01/07/05 – 30/06/06	44
Special Employee and Technician Licences Issued 01/07/05 – 30/06/06	44
Complaints Received and Investigated by the Commission.....	45
Summary of CSL Expenditure 2005-06	46
Glossary	47

CHAIRMAN'S REPORT

I have pleasure in presenting the Chairman's review of the Tasmanian Gaming Commission's (the Commission) activities for 2005-2006. This has been a very active year for the Commission and it has made a number of significant achievements during the period.

The Tasmanian Gaming Commission is a vehicle through which the State operates to control and regulate gaming. The activities of the Commission are the activities of the State. However, at all times, the Commission remains independent and impartial in its decision-making.

In this context, and to enable the Commission to fulfill its functions, a rolling strategic plan and operating statement has been developed in conjunction with officers of the Liquor and Gaming Branch of the Department of Treasury and Finance. The Commission's operating statement provides a clear public declaration of the Commission's responsibilities and strategic priorities.

A key priority arising from the strategic review is the need for increased research and policy development to enable the Commission to advise the Treasurer on matters it deems to be pertinent to the current and ongoing development of gaming policy in Tasmania. The review also clarified the Commission's focus on gambling harm minimization and player protection.

After thirteen years of operation, the Tasmanian electronic gaming machine (EGM) and Keno industry is showing signs of maturing. This has been influenced by the reaching of the 3,680 cap on gaming machine numbers in the State. In addition, turnover from EGMs has fallen approximately 10 per cent as a direct result of venue smoking bans.

Recently released national statistics show that Tasmanian per capita gambling expenditure in 2004-05 was \$814.45, making it the second lowest of any State and Territory after Western Australia (\$520.73), which does not have gaming machines in hotels and clubs. Tasmania's per capita lotto expenditure was \$55.14 in 2004-05, the lowest of any State or Territory in that year. Ignoring Western Australia, Tasmania had the lowest per capita expenditure on gaming machines in hotels and clubs (\$343.14) in 2004-05, an improvement on our ranking of second-lowest in 2003-04.

Within Tasmania there has been a slow-down in growth of expenditure on gaming machines for 2004-05 of 1.66 per cent compared with 10.6 per cent growth in 2003-04 and 13.1 per cent in 2002-03. These figures demonstrate that the regulation of gaming in Tasmania is being maintained on a sound basis.

The Commission met on 16 occasions during the year and the Chairman and Ms Thomas attended the Australasian Gaming Commissioners Conference in Queensland in May 2006. In keeping with its stated objectives the Commission met with four stakeholders during the year. This consultative process provides open and informal discussion on a range of related matters.

Over the past year there was a reduction in venue breaches when compared with previous years, however one significant breach resulted in a \$100,000 fine. The Commission continues to send a clear and unequivocal message to the gaming industry that it expects a high level of compliance, and it needs to meet community expectations.

The Government's legislation providing for the operation of betting exchanges was introduced in November 2005. Betfair, a consortium between Betfair Pty Ltd and Publishing and Broadcasting Ltd (PBL) was granted a licence to operate in Tasmania in February 2006, the first betting exchange licence to be issued by a regulator in Australia. Associated with the Betfair approval were a range of conditions satisfying the Commission that suitable consumer and player protection and harm minimization measures would apply to the Tasmanian based operations.

The Betfair endorsement was undertaken on an extremely tight time-frame. There were no existing models, and staff of the Liquor and Gaming Branch had to start from basics, with much of the work undertaken over the Christmas period. They met the challenge, and are to be congratulated for their endeavours and service to the State.

The Commission could not function without the co-operation and support of my fellow Commissioners, Professor Kate Warner and Ms Elizabeth Thomas. Our collective appreciation is extended to Peter Coe, Executive Director of Revenue Gaming and Licensing, Bert Elson, Director of Liquor and Gaming and the officers of the Liquor and Gaming Branch who continue to provide the Commission with professional, timely, and impartial advice and administrative and technical support.

C.A.Eastaugh
Chairman.

INTRODUCTION

The Tasmanian Gaming Commission (the Commission) is an independent body responsible for the regulation of gaming in Tasmania, established under the *Gaming Control Act 1993*.

The Commission is a three-person body whose members are:

- Mr Clyde Eastaugh - Chairman
- Professor Kate Warner
- Ms Elizabeth Thomas

Mr Eastaugh has been a member of the Commission since its inception in September 1994 and was appointed as Chairman in November 2003. Professor Warner has been a member of the Commission since June 2001 and Ms Thomas was appointed as a member of the Commission in July 2004.

Generally, the Commission meets on a monthly basis. Special meetings are also held as required.

In 2005-06, the Commission met formally on 16 occasions. Mr Eastaugh, Professor Warner and Ms Thomas attended all of the Commission meetings.

FUNCTIONS OF THE COMMISSION

The functions of the Commission are prescribed under section 125 of the *Gaming Control Act 1993*.

The functions of the Commission are to:

- Regulate and control gaming to ensure that it is conducted honestly and free from criminal influence and exploitation. This encompasses gaming in casinos (including the Spirit of Tasmania vessels), hotels and clubs, and extends to minor gaming activities and interactive gaming and wagering.
- Approve internal control, administrative and accounting procedures, rules and conditions in relation to gaming activities, and to determine disciplinary matters.
- Investigate and make recommendations to the Minister on gaming regulatory matters.
- Research and investigate matters relating to gaming, including the probity and financial stability of persons involved in the conduct of gaming operations. Those persons include applicants for special employee, technician, licensed premises gaming and Tasmanian gaming licences and applicants seeking listing on the Roll of Recognised Manufacturers and Suppliers of Gaming Equipment.
- Liaise with other authorities and persons responsible for the regulation and control of the conduct of gaming.
- Perform an oversight role in relation to the CSL and make recommendations to the Treasurer on the allocation of funds from the CSL to appropriate projects and services.
- Investigate and resolve complaints relating to the conduct of gaming.
- Perform such other functions as required by the *Gaming Control Act 1993* and *TT-Line Gaming Act 1993*.

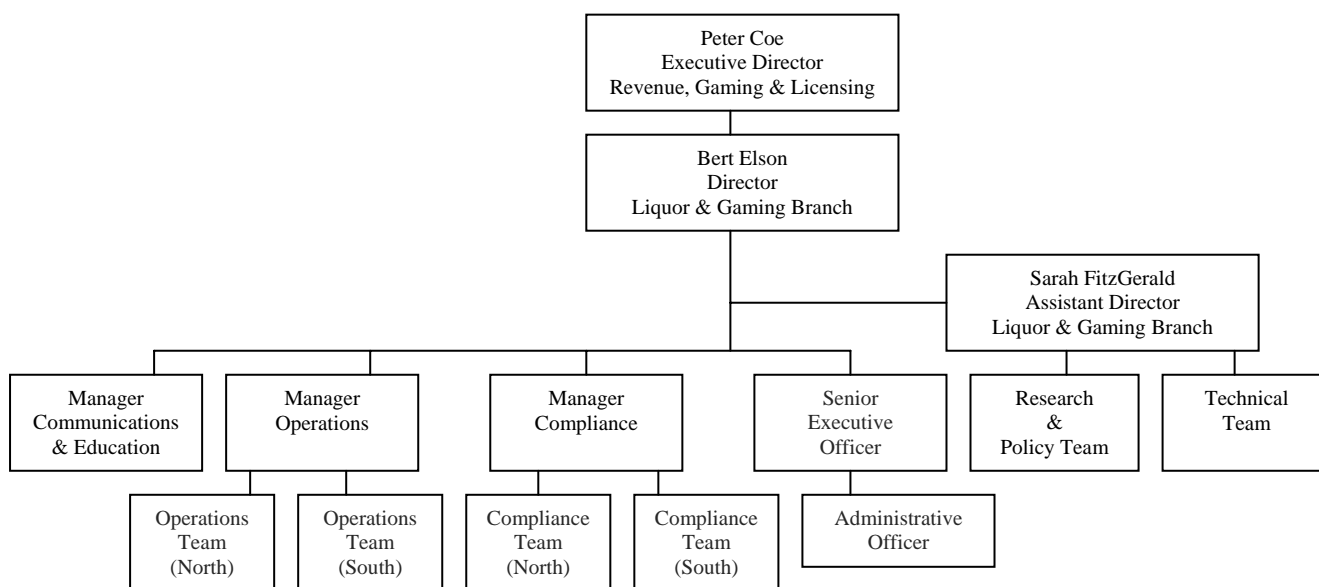
SUPPORT TO THE COMMISSION

The Commission is supported by staff of the Liquor and Gaming Branch in undertaking its day-to-day activities. The Branch is located within the Revenue, Gaming and Licensing Division of the Department of Treasury and Finance.

The Liquor and Gaming Branch has offices in Hobart and Launceston, and maintains an inspectorate presence at Wrest Point Hotel Casino and Country Club Casino. The inspectorates oversee gaming operations at the casinos and undertake compliance inspections at hotels and clubs and onboard the *Spirit of Tasmania* vessels.

The Branch is responsible for coordinating and preparing monthly Commission papers. The Executive Director, Revenue, Gaming and Licensing; Director, Liquor and Gaming; Assistant Director, Liquor and Gaming and the Senior Executive Officer provide administrative advice and support at Commission meetings. Figure 1 details the administrative support provided to the Commission.

Figure 1
Administrative Support to the Tasmanian Gaming Commission



Participation in Working Groups and Other Forums

Officers of the Liquor and Gaming Branch represent the Commission in a number of forums and on several inter-jurisdictional working groups. These include:

- The Gambling Industry Group (GIG): GIG is the peak industry representative body, comprising representatives of Tattersalls, Betfair, the Federal Group, Admirals Casino, TOTE Tasmania, the Australian Hotels Association and Registered Clubs Tasmania. Representatives of the Commission and the

Gambling Support Bureau attend GIG meetings as observers and provide advisory services to its members.

- The Tasmanian Gambling Consultative Group (TGCG): The TGCG brings together all relevant State interests in gambling and its community impact. These interests include all gambling industry codes, relevant government bodies, relevant community sector organisations and interested consumer organisations. The aim of the TGCG is to encourage its represented membership to discuss and share information on current issues relating to the impact of gambling on the wider community within Tasmania. The Commission believes this is an important group for mutual discussion.
- The Casino and Gaming Chief Executive Officers Forum (CEOs Forum): The key forum for discussion of inter-jurisdictional gaming regulatory matters. The CEOs Forum is generally held bi-annually, with the key meeting held prior to the annual Gaming Regulators' Conference. The Executive Director, Revenue, Gaming and Licensing Division and the Director, Liquor and Gaming Branch represent the Commission on the Forum.
- Responsible Regulators' Gambling Working Party (RRGWP): Support to the Gaming CEOs is provided by the RRGWP. The purpose of the RRGWP is to provide advice on regulatory responses on responsible gambling issues for consideration by Gaming CEOs. The RRGWP is comprised of senior gaming officers of each member jurisdiction.

LEGISLATIVE FRAMEWORK

Gaming Control Act 1993

The *Gaming Control Act 1993* (the Act) provides the legislative framework for the licensing and regulation of gaming in the State. Gaming activities covered by the Act include state-wide gaming machine and keno gaming, casino gaming, interactive gaming and wagering and minor gaming.

A Deed of Agreement between the Crown and Federal Hotels Pty Ltd, which grants exclusive rights to Federal Hotels to conduct casino operations and operate keno and gaming machines in Tasmania, is set out in Schedule 1 of the Act.

TT-Line Gaming Act 1993

The gaming operations on board the *Spirit of Tasmania* vessels are controlled by the *TT-Line Gaming Act 1993*. Reciprocal Victorian legislation regulates gaming aboard the two vessels whilst the vessels operate in Victorian waters. The Commission is responsible for the licensing and regulation of gaming on those vessels. The licence to conduct gaming operations is held by the TT-Line Company Pty Ltd. Admirals Casino Pty Ltd holds the franchise for the management of gaming on board the vessels. Gaming activity aboard the two vessels is presently limited to gaming machines.

MAJOR ACTIVITIES AND GAMING DEVELOPMENTS IN 2005-06

Tasmanian Gaming Commission Strategic Plan

As the Commission is operating within a rapidly changing environment and in order to ensure the direction, operation and priorities of the Commission remain relevant the Commission has prepared a strategic plan to guide it in 2006 and beyond. The strategic planning process identified a number of key priorities for the Commission, with focus now on implementation. These include:

- developing interaction and communication strategies with key stakeholders;
- promulgating the Commission's approach to industry self-regulation;
- reviewing the Community Support Levy (CSL) process in light of the report on the CSL from the Public Accounts Committee of Parliament; and
- reviewing and developing effective and ongoing harm minimisation and consumer protection strategies.

Harm Minimisation Initiatives

As part of the Commission's ongoing strategic planning process it is placing an increasingly high priority on developing and maintaining its understanding of harm minimisation measures. Using the support of the Liquor and Gaming Branch the Commission has reviewed a wide range of contemporary research undertaken around the nation, as well as overseeing the development and refinement of data to assist the Commission in determining statistical measures about the influence and impact of gaming in the community.

The Commission is very focussed on improving harm minimisation and consumer protection measures, with a view to prevention of harm before gambling becomes problematic for individuals or groups in the community.

Work commenced during the year on examining and refocussing the responsible service of gambling (RSG) program using qualified registered training organisations (RTO)s to deliver a more consistent curriculum, in line with national standards and the Commission's expectations.

While the RSG program has been in place for a number of years and is a compulsory competency for all people wishing to hold a gaming licence, the course content and delivery has not been significantly reviewed or assessed since its inception. The nature of the gaming industry has become increasingly diverse and sophisticated and the Commission considers it vital that appropriate, relevant and easily accessible training is available for all industry participants. The Commission's objective is to have a new look RSG system in place by the end of 2006-07.

Assessment of New Games and Jackpot Systems and Application of National Standards

The Commission continues to undertake reviews of new gaming machine games, gaming equipment and jackpot systems prior to approval to ensure that new systems and games do not contain features that are likely to lead to an increase in problem gambling and to ensure that the games conform to the National Standards for Gaming Machines.

To date, the Commission has rejected a number of gaming machine games for various reasons ranging from inappropriate game features to non-compliance with adopted National Standard requirements. Additionally, when required the Commission has imposed conditions of approval on a number of gaming machines games, jackpots and associated equipment. Examples of the Commission's actions in this respect are listed below.

- The Commission refused to approve games destined for the casino market that did not possess the required "Player Information Display" functionality.
- Games have been refused approval due to the games incorporating features that provide illusions of control.
- The Commission refused to approve a series of games that possessed undesirable 'gamble' features.
- The Commission refused to approve a number of gaming machines that did not comply with the current version of the National Standard.
- The Commission has approved some progressive jackpot games with strict conditions of approval requiring the monitoring system to be changed to record jackpot levels.
- New gaming machine games and equipment possessing previously un-introduced features in Tasmania are subject to stringent trial conditions if approval is granted.

The Gaming Machine National Standard Working Party: The Working Party is comprised of representatives from all Australian and New Zealand gaming jurisdictions and works with the gaming industry to develop and maintain the National Standard as the basis of technical requirements for gaming machines common to all Australian and New Zealand jurisdictions.

The Tasmanian Gaming Commission has adopted Version 8.0 of the National Standard and this version was adopted in Tasmania on 1 August 2005. The Commission is represented on the Working Party by the Senior Technical Officer in the Liquor and Gaming Branch.

The Assessment Panel for the Accreditation of Testing Facilities – The Assessment Panel was established by gaming regulators from Australia and New Zealand to provide a cooperative and coordinated approach to the assessment of testing facilities by various gaming regulators.

Assessments of accredited testing facilities have been undertaken by assessment panel representatives to ensure ongoing suitability of organisations to operate a testing facility for the purposes of testing gaming machines, games and associated 'in-venue'

devices (such as jackpot systems) against recognised National Standard requirements. The Commission is represented on the Panel by the Senior Technical Officer in the Liquor and Gaming Branch.

Public Accounts Committee

In 2004 a Parliamentary Standing Committee of Public Accounts (the Committee) announced an inquiry to investigate all aspects of the Community Support Levy (CSL) and in particular report upon:

- reasons for the level of unexpended funds;
- the distribution process;
- the suitability of the Commission or the appropriateness of an alternative model to oversee and administer the distribution of funds;
- the administration costs;
- the legislative requirements; and
- any other relevant issues.

The Committee handed down its report into the Administration of the Community Support Levy in August 2005, which included the following recommendations:

- Changes ought only be made to the existing distribution structure to improve effectiveness, efficiency and accountability of the current structure;
- The Commission ought to undertake a more strategic role in the distribution process; and
- The Commission should report more clearly to identify and distinguish CSL funds already committed but unspent and those funds that remain uncommitted.

The Commission has sought a meeting with the new Treasurer to clarify its roles and responsibilities with respect to the CSL.

Gaming and Liquor Information System

In October 2005 the Liquor and Gaming Branch launched the core functions of a new computer system to regulate and administer gaming and liquor licensing. The Gaming and Liquor System (GLIS) replaced two older systems, which have been in operation in the Branch for a number of years.

GLIS is used for managing liquor and gaming licensing information, as well as recording and tracking details of gaming equipment and games approved for electronic gaming.

GLIS is a powerful operational system, which has provided the following significant benefits to the Branch:

- Fast Access to quality information, previously stored in multiple locations. An integrated set of data provides information, which will greatly assist the Compliance team.
- Advanced searching facilities to allow data to be quickly located.
- A suite of standard on-line management reports to assist in the day-to-day operational management of the Branch.
- Streamlined automated data imports.

Impact of Smoking Restrictions on Gaming Activity

Following the Government's introduction of limited smoking bans from 1 January 2005 in casino, hotel and club gaming areas, nightclubs and 50 per cent of most outdoor dining areas, the final stage, which provided for a complete prohibition on smoking in licensed premises, became effective on 1 January 2006.

One effect of the Government's smoking bans has been a reduction in patronage generally in some licensed premises and this has had a flow-on effect to the overall level of gaming activity in licensed premises. When combined with the impact of the state-wide cap on gaming machine numbers, meaning that the market size has reached maturity, it is evident that there will be less scope for any significant growth or expansion of activity in the hotel and club gaming industry particularly.

Anecdotally, it appears that the incidence of presentation of problem gamblers for assistance to the Break Even counselling services may have declined since the smoking bans commenced. However, it would be difficult to draw any conclusions from this observation.

The Commission is supportive of the Government's policy intent in banning smoking indoors as a public health initiative, although the Commission has been cautious to avoid promoting smoking bans as a gambling harm minimisation measure, as any linkages between smoking and excessive gambling have not been well documented.

The Commission will continue to closely monitor impacts on gambling behaviour associated with the prohibition on smoking in licensed premises.

Risk Based Compliance Project

A project was commenced during 2004-05 to develop a risk-based approach to the compliance activities carried out by the Liquor and Gaming Branch for the Commission.

The intent of the project is to move the Branch from what has historically been an over-sight role in gaming to one where the focus of Branch compliance is on the areas of greatest risk. This move will ensure that Branch personnel are utilised most effectively and will also provide opportunities for industry to enhance their role in the area.

This is a significant project for the Branch and initially it is being progressed in three phases. The first phase involved the completion of a risk analysis of hotel and club gaming, casino gaming and liquor activities. Already, many of the recommendations from the first phase have been implemented. Of particular significance is the application of an audit-based approach to casino compliance activities. The second and third phases will focus on minor gaming and technical compliance respectively and will be progressed during 2006-07.

Once this initial project is completed, the risk-based approach to compliance activities will be ongoing.

Betting Exchanges

On 10 January 2006 the Commission granted Betfair Pty Limited a Tasmanian Gaming Licence with a betting exchange endorsement which was provided for following amendments made to the *Gaming Control Act 1993* late last year. The amendments allowed for the issue of a betting exchange endorsement. They did not relate specifically to Betfair and in the future there could be other applications for licences.

A betting exchange is a form of betting available on the internet where individuals can bet on any events listed by the operator at whatever odds they agree upon with whoever will accept their bet. The winner then pays a commission to the betting exchange operator that in turn pays taxes and levies to sporting bodies.

The licence allows Betfair to advertise Australian and New Zealand markets to residents. This will largely take the form of sponsorship and advertising at sporting events around Australia.

Prior to issuing the licence the Commission conducted investigations into Betfair's integrity and business reputation, its financial background, its corporate structure, whether it has access to the technical ability and resources to conduct gaming activities under a betting exchange endorsement and its associates.

These investigations took the form of identity checks, financial background checks, and criminal history checks and were performed on all associates of Betfair. The Commission also conducted a detailed analysis of Betfair's application for a Tasmanian Gaming Licence including its gaming business submission which detailed Betfair's previous business experience, technical capability, financial projections, proposed operating system and proposed marketing strategies. The Commission conducted these investigations and was satisfied Betfair was suitable to hold a Tasmanian Gaming Licence.

Betfair commenced operations on 7 February 2006 and heralded the event with a miniature Betfair blimp over Bellerive Oval for a one-day international cricket match. While Betfair will continue to operate from the United Kingdom for the moment, it is expected that they will be fully operational from Hobart by August 2006.

Communications

The Liquor and Gaming Branch in supporting all the activities of the Branch publishes a quarterly newsletter under the banner of the “Liquor and Gaming Review”. The newsletter is distributed to the holders of liquor and gaming licences, government agencies both in Tasmania and interstate and other Branch and Commission stakeholders.

In addition to providing information on the functions of the Commission and profiles of Commission members, the Commission and the Branch have initiated informative articles on gaming issues to educate and improve the awareness of gaming operators and their employees and to enhance and support compliance with legislation.

During 2005-06 the following articles were published:

- New casino game – rapid roulette (winter 2005)
- Excluded patrons – How to assist (winter 2005)
- Excluding people with gambling problems (winter 2005)
- Gaming machine hand pay – procedure in venues (winter 2005)
- Risk based compliance (winter 2005)
- Fingerprints and special employees licences (spring 2005)
- Tasmanian Gaming Commission Annual Report (spring 2005)
- Identifying a compliance inspector (spring 2005)
- Tasmanian Government passes betting exchange legislation (spring 2005)
- Gaming employees and bankruptcy (spring 2005)
- Special employees and gambling (spring 2005)
- Gambling self exclusion as the counsellor sees it (spring 2005)
- Tasmanian Gaming Commission approves Betfair (summer 2006)
- Anzac day two up (summer 2006)
- Cash for gaming and ATMs (summer 2006)
- New surveillance standards – a reminder (summer 2006)
- New ads have real stories from real gamblers (autumn 2006)
- Seizure of gaming machine (autumn 2006)
- Network Gaming – breach of conditions (autumn 2006)

The Commission also publish their disciplinary actions taken against licensed premises gaming operators and special employees and tabling of new or changes to gaming operators, in the newsletter.

The newsletter is posted on the Department of Treasury and Finance's website - containing links to the Tasmanian Gaming Commission (www.gaming.tas.gov.au).

GAMING IN TASMANIA

Casino Operations

Wrest Point Hotel Casino and Country Club Casino

The Deed of Agreement between the Crown and Federal Hotels Pty Ltd provides exclusive rights for the Federal Group to operate table gaming, gaming machines and keno throughout the State until 30 June 2018.

Australian National Hotels Pty Ltd holds the casino licence for Wrest Point Hotel Casino and Tasmanian Country Club Casino Pty Ltd holds the casino licence for Country Club Casino.

The Wrest Point and Country Club casinos offer Baccarat, Blackjack, Pontoon, Roulette, Rapid Roulette, Caribbean Stud Poker, Five Card Stud Poker, Hold-EM Poker and Money Wheel. The state-wide Keno game is also available within the casinos.

Gaming machine numbers remained steady at Wrest Point Hotel Casino, with 745 machines in operation as at 30 June 2006. At Country Club Casino, gaming machine numbers increased by 3, with 535 machines in operation as at 30 June 2006.

As a result of the changes to smoking legislation which took effect from 1 January 2006, further building works took place at both casinos to provide outside smoking areas. Additional refurbishment occurred at the same time.

The Commission maintains a presence in each casino via the Southern and Northern Government Inspectorates. During 2005-06 Inspectors were usually on site during normal business hours and when casino table gaming was operating.

Licensing of Casino Staff

Staff employed at Wrest Point Hotel Casino, Country Club Casino and Admirals Casino as Casino Operatives, Casino Management or Casino Security must be licensed before undertaking gaming duties. The total number of persons licensed to perform gaming duties at these casinos was 579 as at 30 June 2006.

Admirals Casino Pty Ltd

TT-Line Company Pty Ltd (TT-Line) operates two ships *Spirit Of Tasmania I* and *II* on the Bass Strait crossing between Devonport and Melbourne. The gaming operations on board the *Spirit Of Tasmania* vessels are controlled by the *TT-Line Gaming Act 1993*. The Commission is responsible for the licensing and regulation of gaming on those vessels. The licence to conduct gaming operations is held by the

TT-Line Company Pty Ltd (TT-Line). TT-Line has a contractual arrangement with Admirals Casino Pty Ltd for the management of gaming on the vessels.

There are 23 gaming machines on board each vessel and gaming machines are the only form of gaming currently offered by the operator.

The tax rate that applied to Admirals Casino during 2005-06 was 17.91 per cent of gross profit for gaming machines. There is no annual licence fee.

During the year, the Government Inspectorate conducted 29 inspections of the gaming rooms aboard the two vessels.

The *Spirit of Tasmania III* on its crossings between Devonport and Sydney does not offer gaming services.

Gaming in Hotels and Clubs

In early 2006 the state-wide cap on the number of gaming machines permissible in Tasmania was reached. The cap of 3 680 machines state-wide was set by the 2003 Deed of Agreement between the Crown and Federal Hotels Pty Ltd. The total of 3 680 gaming machines is comprised of gaming machines in hotels and clubs and the State's two casinos. The maximum number of gaming machines permitted in all hotels and clubs is 2 500. The total number of electronic gaming machines in hotels and clubs increased from 2 289 to 2 400 in the year to 30 June 2006. Clubs are limited to a total of 40 gaming machines, and hotels are only permitted to operate a total of 30 gaming machines.

During 2004-05, 22 applications for licensed premises gaming licences for the operation of gaming machines were assessed. Of the 22 applications, ten related to a change of operator at an existing gaming venue and three related to new keno venues. One hotel relinquished its gaming machines during the period and another surrendered its gaming licence after the premises was destroyed by fire.

Table 1 lists changes in the number of venues and gaming machines by type of venue for the period:

Table 1
Electronic Gaming Machines

	Hotels		Clubs		Total	
	No of venues	No of machines	No of venues	No of machines	No of venues	No of machines
30 June 2005	94	2 116	10	173	104	2 289
30 June 2006	94	2 217	10	183	104	2 400

It is a statutory requirement that gaming machines return, on average, a minimum of 85 per cent of turnover to players.

Hotel and club operators lease machines and keno equipment from the gaming operator (Network Gaming), which also provides training and marketing services to the venues, and coordinates machine and equipment maintenance by Getronics.

As part of the 2003 Deed of Agreement, Federal Hotels introduced a flexible operating model that permits a Licensed Premises Gaming Operator of a club or a hotel to choose the games and gaming machines from a selection considered appropriate by the Gaming Operator. The model is now in its second year of operation with the vast majority of hotel and club operators opting to accept the mix of games and machines as recommended by Network Gaming.

Taxation on gaming machines is calculated on gross profit, that is, turnover less winnings paid. The tax rates are based on a sliding scale from 20.88 per cent upon the first \$35 million of gross profit and 25.88 per cent upon the rest of the gross profit. The applicable percentage is based on the combined gross profit from all gaming machines in hotels, clubs and casinos (excluding Admirals Casino Pty Ltd).

Operation of Keno in Hotels and Clubs

Keno has been operating state-wide since 1 December 1994. During the year three new venues commenced operating keno. The total number of venues operating keno moved to 159. The total number of gaming premises that operate both keno and gaming machines is 104.

Keno is taxed at the rate of 5.88 per cent of gross profit.

Licensing of Special Employees and Technicians

Persons who are employed to work in hotels or clubs with keno and gaming machines must be licensed as Licensed Premises Gaming Licence holders (Special Employees) before undertaking any gaming duties. Persons who are employed at Wrest Point Hotel Casino, Country Club Casino and Admirals Casino must be licensed as a Casino Operative, Casino Management or Casino Security before undertaking any gaming duties.

Persons who are employed either by the casinos or manufacturers to install, maintain or repair gaming equipment must be licensed as a Technician.

During 2005-06 861 special employee applications were received and 65 technician applications were received (including renewal applications). As a consequence of incomplete applications, probity and integrity concerns the Commission refused to consider 24 applications.

The total number of licensed special employees increased from 2595 in 2004-05 to 2664 in 2005-06. The total number of licensed technicians also increased from 171 in 2004-05 to 189 in 2005-06.

Responsible Service of Gaming Courses

It is a condition of every special employee licence that the licensee must undertake a Responsible Service of Gaming (RSG) course approved by the Commission within three months of being licensed.

The Commission has approved the Australian Hotels Association (AHA) and the Institute of TAFE Tasmania as recognised providers of the Responsible Service of

Gaming course in Tasmania. The AHA conducts Responsible Service of Gaming training courses on a regular basis throughout the State. The Institute of TAFE Tasmania offers the option of undertaking Responsible Service of Gaming training as a single module or as a component of its hospitality training certificates.

The Commission is currently reviewing the delivery of RSG in conjunction with the model approved for the conduct of Responsible Serving of Alcohol training, to ensure that training is contemporary, consistent and in line with national standards.

Tasmanian Gaming Licence Operations

In late 1999, the Act was amended to provide for the issue of a Tasmanian Gaming Licence (TGL). A TGL provides for the operation, from premises in Tasmania, of Internet gaming and wagering activities. An additional amendment was made to the Act in late 2005 to create a betting exchange endorsement that would allow the running of a betting exchange within Tasmania under the Act.

A TGL can have more than one endorsement that will allow for the conduct of the following:

- simulated gaming (internet casinos);
- fixed odds wagering (horses and greyhounds, where wagers are taken over the internet or telephone);
- sports betting (sports bet wagering over the internet or telephone);
- major lotteries; and
- betting exchanges.

As at 30 June 2006 there are two (2) issued TGLs. The first is an active TGL that was issued to Betfair Pty Ltd in February 2006 with a betting exchange endorsement. The second TGL is held by PBL Gaming Management Pty Ltd (PBL). As yet PBL has not activated its TGL, which is endorsed with simulated gaming and sports betting endorsements.

Apart from the successful Betfair application, no new TGL applications have been received in the twelve months to 30 June 2006.

Minor Gaming

Minor gaming is regulated in accordance with the provisions contained in Part 4B of the Act. The term “minor gaming” is used to refer to a number of games including bingo, raffles, lucky envelopes, calcutta sweepstakes, dancing dollars and Tassie’s best punter that have been authorised by the Commission.

The Act requires that the proceeds of conducting minor gaming must be used for the lawful purpose of a not-for-profit organisation or for a charitable reason, and not for the private gain or benefit of any person, except by way of charity. Charitable purposes include education, welfare, sport and recreation.

Under the Act, a permit must be obtained in order to undertake minor gaming activities and these are valid for 12 months. During that period, permit holders are

also required to notify the Commission of their intention to conduct games. Permits are not required for the following activities declared exempt under section 3(8A) of the Act:

- tipping competitions concerning the outcome or occurrence of a sporting event – where a participant does not contribute more than \$150, and total contributions do not exceed \$10 000 and are distributed to winners;
- raffles - where the total prize value does not exceed \$500;
- sweepstakes – where a participant does not contribute more than \$260, and total contributions do not exceed \$10 000 and are distributed to winners; and
- Anzac Day Two-up – where the game known as “Anzac Day Two-up” is played during the period commencing at 0600 hours and ending at 1800 hours on the 25th of April in any year, and the premises upon which the game is conducted is occupied on a permanent basis by an organization, the majority of the members of which, are former members of the defence forces.

During 2004-05, the Commission issued 594 permits to conduct minor gaming. Table 2 lists the number of permit holders that notified their intention to conduct games during that period.

Table 2
Minor Gaming Permits

Game	Number of Individual Activity Notifications
Raffles	187
Bingo	54
Lucky envelopes	389
Calcuttas	17
Gratuitous gaming	17

Further information on minor gaming, including permit applications, can be accessed via the Commission’s website at www.gaming.tas.gov.au.

COMMUNITY SUPPORT LEVY

The Act requires that a percentage of the gross profit derived from gaming machines in hotels and clubs is paid into the CSL under the control of the Treasurer. The contribution is 4 per cent of the gross profit from gaming machines operated in hotels and clubs respectively.

Under the Act, the Treasurer must distribute the CSL in the following manner:

- 25 per cent for the benefit of sport and recreation clubs;
- 25 per cent for the benefit of charitable organisations; and

- 50 per cent for the provision of -
 - research into gambling;
 - services for the prevention of compulsive gambling;
 - treatment for the rehabilitation of compulsive gamblers;
 - community education concerning gambling; and
 - other health services.

The CSL commenced on 1 January 1997. In 2005-06, \$4 379 147 was paid into the CSL from the profits of gaming machines in clubs and hotels and was accumulated for distribution in the proportions specified above.

The Commission is responsible for making recommendations to the Treasurer (via the Minister for Finance) on the allocation of funds from the CSL to appropriate projects and services.

The Department of Health and Human Services (DHHS) has administrative responsibility for making recommendations to the Minister for Health and Human Services for expenditure against the 50 per cent component of the CSL and the 25 per cent of the CSL for the benefit of charitable organisations.

The Gambling Support Bureau is located within the DHHS. The Bureau is responsible for policy development and program management in relation to state-wide problem gambling support service delivery, the gambling research program, gambling community education and health promotion, and the Charitable Organisations grants programs. The Gambling Support Bureau is funded through the CSL.

In May 2003, the Treasurer approved funding of approximately \$3.4 million from the CSL over a three year period to fund a new social program to enhance the provision of support services in high need Tasmanian communities. The program comprises a number of initiatives to expand the support services available to the community in Tasmania.

Problem Gambling Category

In 2005-06, \$4 432 210 was expended on the provision of services to communities including services to those assist persons and their families affected by problem gambling. This amount was disbursed as follows:

- \$755 888 was spent on the provision of support services to assist people affected by gambling. This included personal and family counseling, financial counseling, support groups and the 24-hour telephone helpline.
- \$250 159 was spent on gambling community education and harm minimisation for a range of activities. This included the distribution of responsible gambling

material to the health and community sector, radio and print advertising and testimonial stories and booklets.

- \$162 899 was spent on a number of research activities, including the evaluation of the current exclusion scheme and the fourth study into the extent of gambling in Tasmania.
- \$2 088 358 was spent on the Neighbourhood Houses Program which comprises a number of initiatives to expand the support services available to the community in Tasmania.
- \$1 174 906 was spent on Social Programs which comprises a number of initiatives to expand the support services available to the community in Tasmania. Included in these initiatives were programs dealing with mental health promotion and prevention strategy, education and prevention services with a focus on raising awareness of family violence, promotion of healthy lifestyles and the Our Kids project, which aims to develop an in-house safety community education program and pilot models for the provision of parent support networks at the local level to parents, particularly teenage mothers and their children.

Charitable Organisations Category

An amount of \$260 452 was paid to charitable organisations, through the Community Support Levy Charitable Organisations Grants Program (CSLCOGP) and the Small Grants Program under the CSLCOGP.

In 2005-06, 74 grants were approved for 71 organisations totalling \$300 000 (ranging from \$700 to \$10 000). A list of grant recipients is provided in Appendix 1.

In June 2005, the Treasurer approved funding of \$94 000 for the No Interest Loan Scheme.

Sport and Recreation Category

Sport and Recreation Tasmania (SRT), a business unit of the Department of Economic Development, is responsible for expending 25 per cent of the CSL for the benefit of sport and recreation clubs. It does this through two grant programs, namely the Facilities Grant Program and the Community Grants Program.

In 2005-06, SRT allocated in excess of \$1.4 million in CSL funds through these programs. As at 30 June 2006, approximately \$1.3 million had been disbursed from the Department of Treasury and Finance to SRT to meet this commitment.

A list of grant recipients is provided in Appendix 1.

EQUIPMENT AND MANUFACTURERS

In order to sell or supply gaming equipment to hotels, clubs and casinos in Tasmania, the Act requires manufacturers and suppliers to be listed on the Roll of Recognised Manufacturers and Suppliers of Gaming Equipment (the Roll). Only those on the Roll can sell or supply gaming equipment in Tasmania.

The Commission approved BMM Australia Pty Ltd, Dolphin Products Pty Ltd, FortuNet Inc, Tower Gaming Pty Ltd, and Transcity Pty Ltd for listing on the Roll in the year to 30 June 2006. Currently, there are 38 entities listed on the Roll.

GAMING INSPECTION

The Government Inspectorate comprises Senior Compliance Inspectors and Compliance Inspectors who undertake duties relating to Liquor and Gaming compliance.

The Southern Inspectorate is currently based at an office located within the Wrest Point Casino complex, although some staff operate from the Liquor and Gaming Branch offices in central Hobart. The Northern Inspectorate is based at Henty House in Launceston and an office is also maintained at the Country Club Casino in Prospect.

The inspectorates are responsible for ensuring that casino gaming, state-wide machine gaming, keno gaming and minor gaming are conducted in accordance with the legislation and rules of the games. The Inspectorates conduct regular inspections of the casinos, the state-wide machine gaming/keno monitoring site, gaming activities at hotels and clubs, gaming on the *Spirit of Tasmania* vessels and minor gaming activities.

To ensure that inspectorate activity is conducted in the most efficient and effective manner, procedures and practices are under continuous improvement using risk management and quality assurance methodologies.

As an alternative to taking disciplinary action against a venue, section 78(1) of the Act allows the Commission to direct a licence holder in writing to rectify the matter of concern.

Table 3 lists the number of rectification orders issued by the Commission against a licensed operator or a licensed premises gaming operator:

Table 3
Rectification Orders

Rectification Orders Issued By The Gaming Inspectorate *		
	Hotels	Clubs
2001-02	48	7
2002-03	43	5
2003-04*	6	2
2004-05*	13	0
2005-06*	9	3

* The use of rectification orders was curtailed during these years, pending amendments to the Act.

BREACHES OF THE LEGISLATION

The Act gives the Commission power to take disciplinary action against licence holders. Disciplinary action may include the cancellation or suspension of a licence or gaming endorsement, the issue of a letter of censure, the amendment or imposition of conditions on a licence or the imposition of a fine. A fine not exceeding \$10 000 000 may be imposed on a casino, gaming operator, Tasmanian gaming licence or foreign games permit and for the operator of a hotel or club, a fine not exceeding \$5 000 may be imposed.

The Commission takes a serious view of any breach of the legislation or licence conditions. Each case is considered on its merits. In imposing a penalty, the Commission takes into account issues including the seriousness of the breach and the past record of compliance by the licensee.

Gaming Operators

Table 4 lists the disciplinary action taken by the Commission against gaming operators during 2005-06.

**Table 4
Disciplinary Action Against Gaming Operators**

Licence Holder	Gaming Operator	Section of Act	Date of Breach	Outcome
Australian National Hotels Pty Ltd	Network Gaming	5A(1)(b)	8 June 2005	Fine \$100000

Licensed Venues

Table 4 lists the disciplinary action taken by the Commission against licensed premises gaming licence holders during 2005-06.

**Table 4
Disciplinary Action Against Licensed Venues**

Licence Holder	Venue	Section of Act	Date of Breach	Outcome
Tasmanian Country Club – Casino Pty Ltd	Country Club Casino	112S(1)(c) 103(5)	12-Sept-2005	Letter of Censure
Nolan Constructions Pty Ltd	Nubeena Tavern	112S(1)(d) 91	16-Jan-2006	Letter of Censure
JP & TA Wall Pty Ltd	Carrick Inn	112S(1)(c) 50(2)	13-Feb-2006	Letter of Censure

Special Employees

Table 6 lists the disciplinary action taken by the Commission against special employee's licence holders during 2005-06.

Table 5
Disciplinary Action Against Special Employees

Licence Holder	Section of Act	Date of Breach	Outcome
Nicole Louise Aiken	112S(1)(a) 112S(1)(e)	7-Jul-2005	Licence Cancellation
Letisha Jayne Doyle	112S(1)(d) 112S(1)(g)	18-Aug-2005	Licence Cancellation
Leeanne Joy Hoskinson	112S(1)(d) 112S(1)(g)	29-Apr-2005	Licence Cancellation
Amanda Maree McKenzie	112S(1)(c) 56(3)	9-Aug-2005	Fine \$3210 and imposed conditions
Paul Francis Marshall	112S(1)(d) 112S(1)(g)	22-Jul-2005	Licence Cancellation
Gregory Brian Saunders	112S(1)(d) 112S(1)(g)	15-May-2006	Licence Cancellation
Ricki Kenneth Sutton	112S(1)(c) 94 (1) 56(3)	17-Aug-2005	Licence Cancellation

Technicians

There were no instances of disciplinary action taken by the Commission against licensed technicians during 2005-06.

Appendix 1 - Community Support Levy Grant Recipients 2005 – 06

The following grant program is funded from the CSL and is managed through the Gambling Support Bureau in DHHS.

It should be noted that, while the following projects were approved in 2005-06, not all of the funding was expended in the financial year.

Charitable Organisations Grant Program

Organisation	Project	Grant (\$)
ACD - Association for Children with Disability (Tas) Inc	Develop Organisation's Promotional Material	3 000
ACD - Association for Children with Disability (Tas) Inc	Working with Families project	7 000
Agola Kapuk Association of Southern Tasmania Inc	Sudanese Children's Cultural Group	3 000
Alzheimer's Australia Tasmania Inc	Befriender Service	9 180
Autism Tasmania Inc	To develop leadership skills for individuals in existing localised Autism Tasmania Peer Support Networks	3 000
Beyond Abuse Inc	Information pamphlet	3 000
Bipolar Support Group	Bipolar Support Group Brochure	600
Boat Harbour Beach Surf Lifesaving Club	Sun Shelter	2 903
Break O'Day Health Resource Association	The Break O'Day Art For Wellbeing Project.	4 000
Bridgewater Police & Community Youth Club	Families and Community Together	9 900
Campbell Town Area Community Services Board Inc	Campbell Town Mens Shed	9 966
Carlton Park Surf Life Saving Club Inc	Purchase of Life Saving Equipment	2 500
Centacare Tasmania	Young Parents Forum Theatre Project	2 750
Chance on Main	Metal Works & Wood Works Equipment Upgrade	2 873
Channel Senior Social Club Inc	Living Life	1 500
Chigwell Community House Inc	Chigwell Community House Youth Centre	1 330

Organisation	Project	Grant (\$)
Circular Head Community Garden	Circular Head Community Garden - A safe and encouraging environment bringing together all members of our community to succeed, grow and learn.	2 900
Community and Police Advisory Committee	Dorset Party Safe Programme	8 000
CREATE Foundation	Be.Friend Workshops	9 920
Derwent Valley Community House	Learning to fly	3 000
Devonport Community House Associated Inc	Men's Shed Group	3 000
Diabetes Australia - Tasmania	Purchase of DCA 2000 Haemoglobin A1c Reagent Kit	3 000
Eastern Shore Community Health Centres Auxiliary	Social Outings For the Housebound Elderly	1 500
Epilepsy Association - Epilepsy Action	Brainy Kids	1 080
Family Planning Tasmania Inc	Examination Light and Examination Couch (gynaecological)	2 910
Foster Carers Association of Tasmania Inc	National Foster Carers Day	5 000
Glee Club Inc	Platform scales	2 195
Guides Tasmania - Ulverstone District Guides	Purchase of outdoors activities equipment	1 800
Guiding Hand Tasmania Inc	Fridge/Trailer for Guiding Hand Tasmania Inc	9 870
Headway North West Inc	National Brain Injury Awareness Week Event	1 000
Hobart Benevolent Society Inc	Emergency Relief Program	1 000
Hobart City Mission Inc	Drop-in-with-Friends	6 104
Holyoake Tasmania Inc	Holyoake " get off " program videos	9 939
Huon Stronger Communities Partnership	School Bus Shelter Project	9 600
Huon Valley Council - youth Services	Smart Arts ' Know What It Is' Messages	3 000
Jordan River Service Family Support	Livewires	3 000
Karinya Young Womyn's Refuge	Living Skills Survival Book	3 000
Kentish Youth Series Inc	BBQ for Youth Activities	290
Kickstart Arts Inc	Life & Death - Creative Development	7 500
Launceston City Mission Inc	Rainbows Program	3 000
Lifeboat 14 Inc	Toiletry Bags	1 700

Organisation	Project	Grant (\$)
Lions Club of King Island	Reekara Community Complex Floor	3 000
Meander Valley Centre for Health and Wellbeing	Paraplegic and Quadriplegic Upper Body Aerobic Rehabilitation	9 416
Migrant Resource Centre	Stories of Survivors	2 200
Migrant Resource Centre	Ceramics Course for Sudanese Women	3 000
Migrant Resource Centre (MRC) Community Child Care Centre	Child Care Sensory and Community Garden	10 000
Montagu Community Living Inc - New Town	Purchase digital camera	390
Montagu Community Living Inc - New Town	Purchase of Sunshade for residential service	500
Okines Community House Inc	Purchase of tables and chairs	2 000
ParaQuad Tasmania Inc	SpineSafe Education Program for Tasmanian Secondary Colleges	10 000
Parkinson's Tasmania Inc	Parkinson's Tasmania Support Project	3 000
Sailbility Tasmania Inc	Safer Sailing	3 000
Scouts Australia - Tasmania Branch - 1st Latrobe Scout Group	Outdoor Equipment Purchase	1 000
Soroptimist International of Launceston Inc	Basic CPR Training for disadvantaged members of the community	5 900
South Launceston Auxiliary for Ward 4K	Playground Rescue	10 000
Special Olympics Tasmania inc	State Team Camp for Special Olympics	3 000
St Marys District High School Association	St Marys Families: Making Health Choices	3 000
St Michaels Association Inc	Parental Education Program	9 894
Strahan Parent Involved Playgroup	Books	1 000
Strahan Parent Involved Playgroup	Developing motor skills	1 087
Streets Alive Youth Arts Festival	An Anti-Bullying Campaign Designed by Young People for Young People as part of our closing event	2 000
Surf Life Saving Tasmania Inc	Provision of Life Saving Rescue Tubes	2 310
Tasmania Acquired Brain Injury Services	Men's Functional Rehabilitation Weekend	1 500

Organisation	Project	Grant (\$)
Tasmanian Riding For The Disabled Association Inc	Coaching Seminar and Training Workshop	1 500
Taz Kidz Club/Champs Camps	Champs Camps & Taz Kidz Club	3 000
Tresca Community Centre Committee Incorporated	Recycling Cycles	1 150
Warrane Senior Citizen's Club Inc	Two Sets of Yellow Indoor Bowls	760
Whitelion Incorporated	Reconnection through community group mentoring	9 984
YMCA of Launceston Inc	Members Room	1 000
Youth Music Tasmania Inc	Disadvantaged Youth Project	5 000
ZEEHAN NEIGHBOURHOOD CENTRE INC	Support for Community Learning Courses and Activities to be Conducted at the ZNC	2 600
	TOTAL	299 999

The following grant programs are funded from the CSL and are managed by Sport and Recreation Tasmania, a business unit of the Department of Economic Development.

It should be noted that although the projects listed below were approved in 2005-06, a small number have not yet requested payment.

Facilities Grant Program

Organisation	Project	Grant (\$)
Acton Cricket Club	Construct two new nets at the Action Recreation Ground.	5 223
Beltana Bowls Club	Resurface an existing synthetic green.	50 000
Bridport Bowls Club	Construct a synthetic bowling green and undertake associated works.	50 000
Bruny Bowls Club	Resurface an existing grass green with a synthetic surface and pave surrounds.	50 000
Bruny Island Pistol Club	Extend amenities to incorporate a disabled toilet and construct a new access path to the amenities.	4 286
Derwent Valley Council	Install a shade over for the children's swimming pool at the	3 339

Organisation	Project	Grant (\$)
	New Norfolk Swimming Pool.	
Derwent Valley Sport and Recreation Centre	Upgrade the recreation centre to overcome acoustic and privacy issues.	1 920
Devonport Bowls and Croquet Club	Resurface an existing synthetic bowls green.	50 000
Devonport Tennis Club	Resurface three courts with Plexipave.	11 700
Dorset Council	Purchase Scottsdale Indoor Action Squash Centre for future recreational use.	87 500
Dorset Council	Purchase mobile skate facility to service towns in the Dorset area and to prepare locations in towns suitable for the activity.	19 262
East Derwent Little Athletics Centre	Construct a new long jump/triple jump runway and pit for athletes competing at Weily Park, Bridgewater.	5 312
East Devonport Bowls Sporting and Recreation Club	Upgrade green number one and its surrounds.	16 355
Elderslie Golf Club	Upgrade irrigation system.	2 809
Exeter Cricket Club	Resurface existing concrete cricket pitch with artificial grass.	1 052
Flinders Council	Upgrade sporting facilities at Whitemark Showgrounds.	35 000
Fly Fishers Club of Tasmania	Replace water tank.	1 309
Glamorgan Spring Bay Council	Construct a four km trail from Jetty Road, Shelly Beach to Raspins Beach, Orford.	35 542
Hobart and District Pony and Riding Club	Construct a grade four cross-country course at the Tasmanian Equestrian Centre.	3 187
Hobart Petanque Club	Extend the piste.	4 990
Hobart Regional Water Authority	Relocate and upgrade the playground at Risdon Brook Dam.	18 612
Huon Valley Council	Construct a playground at Heritage Park, Geeveston.	12 136
Huonville Lions Football Club	Construct a safety fence around the perimeter of the Huonville Oval.	6 000

Organisation	Project	Grant (\$)
Kettering Cricket Club	Resurface centre and practice wickets.	2 223
Kingborough Council	Construct a trail linking the Channel Highway and Beach Road, Snug.	29 500
Launceston City Council	Construct a rain and sun shelter at the Lebrina Recreation Ground.	2 363
Legana Cricket Club	Upgrade cricket nets.	1 400
Lions Club of Hadspen South Esk	Construct a public tennis court at Hadspen.	23 944
Llanherne Golf Club	Course Development Project - Stage 1.	3 114
Longford Tennis Club	Resurface tennis court.	2 156
McKenna Park Regional Hockey Complex	Upgrade lighting at the McKenna Park Hockey Complex.	5 417
Meander Valley Council	Upgrade clubrooms and playing surfaces at Prospect Vale Park.	150 000
Moorina Golf Club	Construct a pump house and install a drainage system.	11 596
New Norfolk District Cricket Club	Upgrade practice nets.	2 860
North Eastern Netball Association	Resurface netball court.	3 538
North Esk Rowing Club	Upgrade clubrooms.	150 000
Queenstown Police and Citizens Youth Club	Upgrade flooring.	7 499
Richmond Football Club	Upgrade lighting.	2 040
Riverside Bowls Club	Upgrade green.	6 645
Rosny Park Tennis Club	Construct a deck to enable access for people with a disability.	5 630
Royal Park Croquet Club	Upgrade entry to croquet lawn.	1 450
Sorell Bowls Club	Purchase and install a retractable shade system.	4 113
Sorell Council	Upgrade the Fenton Street Playground.	9 976
Sorell Tennis Club	Upgrade lighting.	15 000
South Arm Calverton Hall	Resurface tennis court.	13 870
South Burnie Bowls Club	Install sunshades.	1 372

Organisation	Project	Grant (\$)
Southern Midlands Council	Extend the Bagdad walking and riding path.	11 000
Sporting Shooters Association of Australia (Pontville Branch)	Install rim fire and air rifle metallic silhouette bins and targets.	1 760
St Patrick's Old Collegians Football Club	Upgrade lighting.	16 565
St Therese's Catholic Lawn Tennis Club	Upgrade and resurface tennis court.	11 065
Tam O'Shanter Golf Club	Install course irrigation system.	31 592
Tamar Rowing Club	Extend steel boat racks.	6 850
Tasman Council	Purchase and install playground equipment at Judd Park.	25 000
Tasmania University Cricket Club	Upgrade cricket scoreboard.	3 880
Tasmanian Field and Game Esk Branch	Relocate skeet range.	9 011
Tasmanian Rifle Association	Campbell Town rifle range development.	38 014
Winnaleah Swimming Pool Association	Upgrade pool	20 080
Wynyard Yacht Club	Upgrade amenities.	1 412
TOTAL		1 107 469

Community Grants Program

Organisation	Project	Grant (\$)
Allstars Gymnasts	Purchase hoist away rings, scooters, Sportime Skip n Hop, balance bench, spotting box, landing mat and canvas mats	2 235
Athletics South	Purchase starting blocks	1 000
Buckingham Rowing Club	Purchase new double scull, new single scull and rowing blades	8 000
Burnie Amateur Swimming Club	Club development program	9 615
Burnie Golf Club	Purchase of a Toro Greensmaster 3250-D	10 000

Organisation	Project	Grant (\$)
Burnie Little Athletics Centre	Purchase sports equipment cabinet	1 117
Burnie Little Athletics Centre	Purchase starting blocks and trolley	859
Campbell Town Golf Club	Purchase 3100 Toro Greenmaster	8 272
Campbell Town Swimming Pool Management Committee	Training of volunteer pool lifeguards	2 350
Campbell Town Swimming Pool Management Committee	Purchase personal flotation devices	750
Campbell Town Tennis Club	Purchase balls, basket, picking up tube, witches hats and a big ball	150
Circular Head Amateur Swimming Club	Purchase lane ropes, pace clock, life jackets and dive games	2 513
Circular Head Amateur Swimming Club	Green licence coach training	382
Circular Head Pony Club	Purchase portable dressage arena and show jumps	2 041
Circular Head Walking Club	Purchase books and maps	353
City of Burnie Cycling Club	Purchase bow saw, rake, rake hoe, machete, shovel, laminator, folding table, folding chairs, gazebo, MTBA numbers and database software	444
Clarence United Soccer Club	Purchase nets, posts, flags, markers and cones	2 500
Cygnets Bowls Club	Purchase of Scott Bonar Queens Mower 30"	3 150
Derwent Canoe Club	Purchase kayaks, paddles and spray skirts	3 273
Derwent Canoe Club	Skill development program	2 000
Derwent City Bowls Club	Participant development program	2 500
Derwent City Bowls Club	Purchase an electric green mower and roller	5 000
Devonport Fly Fishing Club	Purchase tandem trailer	1 072
East Derwent Little Athletics Centre	Purchase high jump bag, uprights, measuring rod and crossbar	2 508
East Derwent Little Athletics	Purchase portable discus cage	735

Organisation	Project	Grant (\$)
Centre	and ring	
Eastern Lightning Softball Club	Purchase pitching machine with automatic ball feeder and two dozen machine pitch training balls	700
Elderslie Golf Club	Purchase Ariens rough mower	7 500
Geeveston Bowls Club	Purchase Scott Bonnar Greens Mower	2 650
Geeveston Golf Club	Purchase John Deere self propelled mower	9 000
George Town Cycling Club	Silver Wheels Road Race	1 350
Glamorgan Spring Bay Council	Physical activity program for people with disabilities	920
H Westbrook Memorial Committee	34th H Westbrook Memorial Launceston to Hobart Cycle Race	750
Hobart Chargers Basketball Club	Oasis Hobart Chargers Rising Stars Development Program	563
Hobart Gymnastics Academy	Purchase crash and landing mats	8 215
Hobart Islanders Inline Hockey Club	Inline Hockey Development Program	2 951
Hobart Wheelers / Dirt Devils	Women's Mountain Bike Skills Camp	1 130
Hobart Wheelers / Dirt Devils	Purchase of Uniden in car mobile and two Uniden handheld radios, 18 core flute signs, flashing vehicle lights and a first aid kit	1 416
Hockey South	Under 16 Girls Australia Wide Hockey Carnival	964
Huon District Pony and Riding Club	Purchase polo cross racquets and balls	500
Huon District Pony and Riding Club	Purchase jumping blocks	300
Huon Valley Council	Purchase EZAC Pool Lift	4 538
Huonville Lions Football Club	Purchase footballs, storage bags, dome marker set and first aid kits	609
Iron Pot Golf Club	Purchase Jacobson Greens Mower	7 900
Kilburn Netball Club	Coaching, umpiring and junior leadership training	525

Organisation	Project	Grant (\$)
Kilburn Netball Club	Purchase balls, ball bags, whistles, hand pumps, compressor, witches hats, training bibs, rule books and skipping ropes	1 537
Kingborough Little Athletics Centre	Purchase high jump bags, discus, javelins, boundary flags and webbing	639
Kingborough Netball Association	Junior State-wide Carnival	1 200
Lauderdale Yacht Club	Purchase an outboard motor, cables and lubricant and install the motor	3 900
Launceston City Council	Ride Launceston - Bike Week 2005	1 860
Launceston Police and Citizens Youth Club	Wages for a weights gym coach	9 165
Launceston VDC Smallbore & Air Rifle Club	Purchase training and feedback coaching equipment	2 757
Lindisfarne Amateur Swimming Club	Purchase kickboards, fins, buoys, paddles, stop watches and flexa bands	618
Lindisfarne Sailing Club	Purchase six pacer sailing dinghies	10 000
Llanherne Golf Club	Purchase of Husqvarna DT18 Lawn seeder/dethatcher and 325L Combi Trimmer	1 896
Longford Tennis Club	Purchase tennis balls	360
McKenna Park Regional Hockey Complex	Purchase lawn mower	2 886
Mersey Clay Target Club	Champion of Champions event	450
New Norfolk District Cricket Club	Purchase pads, gloves, helmets, monster bats, belts, inners and guards	2 200
New Norfolk Rowing Club	Purchase oars, rowing machines and a leg press	5 364
New Town Senior Citizens Club	Purchase one indoor bowls mat and two sets of bowls	979
North East Cricket Association	Purchase balls	1 691

Organisation	Project	Grant (\$)
North Hobart Cricket Club	Purchase skipping ropes, fastfoot ladder, cricket balls, single spring loaded plastic stump, first aid kits, baseball gloves, wooden stumps, junior bats and junior helmets	911
North Hobart Football Club	Purchase footballs for the junior development program	1 065
North Hobart Junior Football Club	Purchase seats and shelter for junior players	1 051
North Hobart Junior Football Club	Purchase balls, carry bags, rebound nets, bump bags, marking bags, marker cones and training jumpers	1 916
North West Athletic Club	Purchase electronic scales, starting blocks, starting block trolley, hurdle trolley and vinyl dipped weights	1 419
North West Bay Golf Club	Purchase golf buggies, marking cones and clubs for juniors	250
Northern Districts Cycling Club	Purchase safety equipment	500
Northern Hunt Club	Purchase equipment trailer	1 060
Northern Hunt Club	Purchase portable hunt jumps	1 129
Northern Midlands Council	Purchase various equipment	3 500
Northern Tasmanian Netball Association	Junior development program	3 335
OHA Hockey Club	Purchase balls, cases, markers and first aid kits	2 500
OHA Netball Club	Conduct coaching development clinics	1 000
OHA Netball Club	Purchase balls, medicine balls, portable goal posts, first aid kits, ball bags, running blocks, fit balls, skipping ropes and cones	1 012
Penguin Clay Target Club	Purchase IBIS AutoMatic Sporter Clay Target Traps	3 000
Penguin Golf Club	Purchase a Ransomes fairway mower	3 200
Port Esperance Sailing Club (Dover Regatta Association and Aquatic Club)	Purchase a rescue boat and outboard motor	4 500

Organisation	Project	Grant (\$)
Port Sorell Golf Club	Purchase a used mower for the rough	6 637
Port Sorell Surf Life Saving Club	Purchase competition surf life saving boards	3 864
Prince of Wales Wellington Hockey Club	Integrated player development program	2 931
Prince of Wales Wellington Hockey Club	Training and accreditation of umpires	1 735
Prospect Sharks Junior Football Club	Purchase bump bags, ruck bag and temporary fencing equipment	981
Ranelagh Grove Cricket Club	Purchase bats, helmets, balls, stumps, gloves, pads, inners, ball counters, bat cones, bat mallets, kit bags, ball crates, protectors, thigh guards and score books	1 978
Rosebery Gun Club	Purchase Canterbury trap master	5 743
Rosny Park Bowls Club	Purchase lawn bowls	660
Sandy Bay Rowing Club	Purchase two double rowing sculls	5 701
Sorell Bowls Club	Purchase four sets of lawn bowls, two sets of carpet bowls, eight kitties and 16 mats	1 280
Sorell Junior Cricket Club	Purchase bats, pad, thigh pads, batting gloves, helmets, protectors, keeping gloves, inners, stumps, kit bag, balls, net and cones	2 338
South Burnie Hockey Club	Purchase sticks and shin pads	436
St Helens Bowls Club	Purchase five foot smooth roll bowling green roller	3 100
Tamar Canoe Club	Purchase sea kayaks, spray decks, paddles, deck bag, paddle float, bilge pumps and batteries, switches, fittings, hand flare kits, dye marker and sails, mast steps and fittings	2 878
Tamar Rowing Club	Purchase a rowing eight and a single scull with riggers	10 000
Taroona Bowls Club (on behalf of the Taroona Soccer Club)	Purchase balls, marker, tubular goal, futsal goal, net, bibs and cones	2 500

Organisation	Project	Grant (\$)
Tasmania University Cricket Club	Purchase bowling machine and catching nets	4 000
Tasmanian Climbing Junior Development Association	To pay a coach to come to Tasmania to conduct the Individual Training Program, the Advanced Technical Training Course and the Route setting Course.	2 445
Tasmanian Football League Umpires Association	Purchase footballs for umpire training and accreditation	960
Tasmanian Gun Club	Purchase automatic trap	5 000
Tasmanian Masters Athletics	Purchase javelins, discuses, shots, hammers, heavy weights and crossbars	1 580
Tasmanian Showjumping Association	Purchase timing gear and speaker system	1 305
Tasmanian University Women's Hockey Club	Purchase goalkeeper protective equipment	1 755
Tennis North	Purchase tennis balls for pennant matches and the 2006 Tasmanian Easter Championships	350
Tigers Cricket Club	Purchase thigh and batting pads, batting gloves, bats, balls, wicket-keeping gloves and first aid kits	1 482
Ulverstone Football Club	Purchase stretcher, whiteboard, training cones, goal post padding, walkie talkies, footballs and handballs	1 751
Ulverstone Golf Club	Purchase three-foot smooth roll greens roller	3 750
Ulverstone Tennis Club	Purchase ball machine, nets, racquets, balls and brooms	701
Waratah Wynyard Council	Walking Wynyard	3 000
Westbury Cricket Club	Volunteer recruitment and development program	5 000
Woodbridge Cricket Club	Purchase bats, pads, gloves, thigh pads, helmets and balls	1 000
Wynyard Yacht Club	Purchase of a STABI-CRAFT Positive Buoyancy Boat	7 955
Wynyard-Somerset Hockey Club	Purchase hockey balls and baskets, training cones and	422

Organisation	Project	Grant (\$)
	markers	
Zodiacs Gymnastics Club	Purchase three crash mats	2 817
TOTAL		302 185 *

* The variation between the approved allocation from the Community Grants Program of \$304,435 and the allocation detailed above is due to a successful recipient being unable to conduct its project, and therefore, SRT withdrawing its grant offer. These funds will be redistributed through SRT's 2006-07 grant programs.

STATISTICS

	Page No.
Gaming Turnover, Taxation and Fees 01/07/01 to 30/06/06	41
Annual Gaming Machine Turnover and Expenditure by Municipality	43
Tax Rates Relating to Gaming Activities in Tasmania	44
Licensed Premises Gaming Licence Applications 01/07/05 to 30/06/06	45
Special Employee and Technician Licences 01/07/05 to 30/06/06	45
Complaints Received and Investigated by the Commission 01/07/05 to 30/06/06	46
Summary of Community Support Levy Expenditure 2005-06	47

Gaming Turnover, Taxation and Fees

1 JULY 2001 TO 30 JUNE 2006

CASINOS	TAXATION AND FEES					TURNOVER				
	2001-02 \$	2002-03 \$	2003-04 \$	2004-05 \$	2005-06 \$	2001-02 \$	2002-03 \$	2003-04 \$	2004-05 \$	2005-06 \$
Table Gaming ¹	807 017	396 600	88 161	70 962	73 607	56 922 690	48 195 164	42 488 975	43 083 985	46 334 305
Gaming Machine ²	18 045 975	19 728 768	21 668 385	23 301 873	21 718 957	858 905 055	870 069 735	921 577 865	966 416 895	915 293 339
Keno Gaming	111 076	90 481	111 740	120 421	131 845	8 114 676	7 943 061	8 197 605	8 941 949	9 649 494
Racetrax ³	8 321	2 585	149	95	n/a	401 093	265 464	163 139	39 609	n/a
Casino Unclaimed Prizes ⁴	6 177	8 033	4 065	3 975	4 360					
Total Casinos	18 978 566	20 226 467	21 872 500	23 497 326	21 928 770	924 343 514	926 473 424	972 427 584	1 018 482 438	971 277 138
EXTERNAL GAMING IN HOTELS AND CLUBS										
Gaming Machines	23 717 127	27 032 670	31 126 387	31 516 418	28 011 133	853 338 805	946 163 909	1 038 795 594	1 081 989 121	953 027 751
Keno Gaming	922 373	972 268	963 900	1 173 513	1 196 185	64 636 137	65 793 787	69 103 387	78 782 039	82 143 933
Keno Unclaimed Prizes	213 215	217 189	229 868	285 129	254 929					
Total Hotels and Clubs	24 852 715	28 222 127	32 320 155	32 975 060	29 462 246	917 974 942	1 011 957 696	1 107 898 981	1 160 771 160	1 035 171 684
INTERNET GAMING⁵										
Internet Casino	3651	1356	n/a	n/a	n/a	2453087	1 491 327	n/a	n/a	n/a
Internet Unclaimed Prizes	0	0	n/a	n/a	n/a					
Total Taxation	43 834 932	48 449 950	54 192 655	56 472 386	51 391 016					
LICENCE FEES AND PENALTIES										
Casino Licence Fees ⁶	1 666 960	1 703 365	2 553 400	2 757 600	2 853 600					
Casino Penalties	0	0	13 000	0	0					
Licence Premises Gaming Licence Fees	267 559	285 443	294 884	287 807	281 320					
Penalties	8 250	6 050	1 700	3 500	104 210					
Tasmanian Gaming Licence Fees	375 359	540 000	n/a	n/a	161 556					
Total Fees and Penalties	2 318 128	2 534 858	2 862 984	3 048 907	3 400 686					
OTHER FORMS										

Lotteries ⁷	20 522 691	21 633 169	21 883 218	22 132 183	22 866 837	64653730	69172663	69 489 033	69 685 713	71 999 856
Soccer Pools ⁷	51 728	68 093	55 483	58 620	51 882	179862	220112	197 817	203 826	179 397
Minor Gaming	244 549	5 692	282 512	53 426	20 520	5 673 100	6 105 570	6 794 850	1 329 576	n/a
Tipstar ⁷	25 756	30 177	37 586	29 363	29 341	n/a	n/a	n/a	204 676	231 229
Telephone Sports Betting ⁵	81	n/a	n/a	n/a	n/a	16271	n/a	n/a	n/a	n/a
Internet Sports Betting ⁵	7 647	99	n/a	n/a	n/a	4407471	1 645 437	n/a	n/a	n/a
Betfair										
Tax					446 055					n/a
Product Levy					523 465					n/a
Total Other Forms	20 852 452	21 737 230	22 258 799	22 273 591	23 938 100	74 930 434	77 143 782	76 481 700	71 423 790	72 410 482
Total Taxation and Fees	67 005 512	72 722 038	79 314 438	81 794 884	78 729 802					

Notes:

1. The figure reported for table gaming turnover is casino "handle", which represents the amount of money exchanged for gaming chips at the tables.
2. The figures reported for Casino gaming machines and racetrax includes Admirals gaming. 2004-05 Figures adjusted after review.
3. Racetrax ceased operation in October 2004.
4. Casino unclaimed prizes includes gaming machine and racetrax unclaimed prizes.
5. No Tasmanian Gaming Licence holders operated during 2005-06.
6. 2003-04 Casino licence fees were adjusted following passage of the revised *Gaming Control Act 1993*.
7. Lotteries, Soccer Pools and Tipstar 2004-05 figures adjusted after review.

Tasmanian Annual Gaming Machine Turnover and Expenditure by Municipality 1 July 2005 – 30 June 2006

Municipality	Turnover	Expenditure
Combined Municipalities*	\$120 957 680	\$13 991 457
Burnie	\$64 030 486	\$7 219 951
Central Coast	\$52 898 705	\$6 122 617
Clarence	\$65 801 157	\$7 553 851
Devonport	\$91 245 549	\$10 376 788
Dorset	\$12 049 774	\$1 412 739
George Town	\$16 113 739	\$1 888 918
Glamorgan-Spring Bay	\$10 537 373	\$1 233 171
Glenorchy	\$164 158 918	\$18 467 334
Hobart	\$64 187 394	\$7 657 998
Huon Valley	\$12 987 711	\$1 519 296
Kingborough	\$14 712 237	\$1 700 379
Launceston	\$149 745 731	\$17 045 718
Sorell	\$19 666 038	\$2 282 799
Waratah-Wynyard	\$46 791 306	\$5 372 500
West Coast	\$22 009 888	\$2 536 047
West Tamar	\$18 186 856	\$2 091 860
Total	\$946 080 542	\$108 473 423

Note: Turnover is the total amount of money wagered by gamblers, including recycled winnings.

Expenditure is the total amount wagered less the amount won, by people who gamble.

* Municipalities with less than three venues have been combined to protect information of a highly sensitive commercial nature: Break O'Day, Brighton, Derwent Valley, Southern Midlands, Circular Head, Latrobe, Kentish, King Island, Meander Valley and Northern Midlands.

Tax Rates Relating to Gaming Activities in Tasmania

Gaming Activity		Tax Rate
Casino Table Games		0.88% of annual gross profit
Keno		5.88% of annual gross profit
TT-LINE (Spirit of Tasmania vessels)		
Gaming machines for TT-Line		17.91% of annual gross profit
Other forms of gaming for TT-Line		7.91% of annual gross profit
Gaming Machines ¹	<i>Annual Gross Profit(\$)</i>	
	<35 million	20.88%
	>35 million	25.88% of excess
Additional 4% CSL derived from Hotels and Clubs annual gross profit		

INTERNET GAMING

Betting Exchange

Events held in Australia

15% of commission received plus an additional Product Fee being 20% of commission received from all racing events held in Australia

Events held outside Australia

10% of commission received

Additional CSL amount being 4% of commission received from Tasmanian residents on events held in Australia.²

Lotteries (no State lotteries)	100% of duty paid to Victorian Government for Tasmanian subscriptions. Minimum return to player is 60%.
Tattersall's	79.4% of player loss where GST is payable 90% of player loss where GST is <u>not</u> payable
Footy Tipping	58.41% of player loss where GST is payable 67.5% of player loss where GST is <u>not</u> payable

Notes:

1. Gaming machine tax is calculated on combined gross profit for both casinos and all hotels and clubs.
2. This amount is paid into the CSL by the Treasurer.

**Licensed Premises Gaming Licence Applications
01/07/05 – 30/06/06**

Applications Received		Applications Approved		Applications Approved		Applications Rejected	
		Without special conditions		Subject to special conditions			
2004-05	2005-06	2004-05	2005-06	2004-05	2005-06	2004-05	2005-06
25	49	24	48	1	1	0	0

Of the 49 licensed premises gaming licence applications received in 2005-06, 25 related to a change of operator at an existing gaming venue (17 keno and gaming machine venues and eight keno only venues), while nine applications related to new keno venues.

In addition to the above, 15 licences were renewed during the 2005-06 year.

Special Employees and Technicians Licences Issued 01/07/05 – 30/06/06

	Special Employees				Technicians
	Casino	Licensed Premises Gaming Operative	Gaming Operator	Tasmanian Gaming Licence	
Licences Issued (1)	93	686	12	1	65
Applications Rejected	0	24	0	0	0
Licences as at 30/06/2006	582	2664	43	37	189
Provisional Licences as at 30/06/2006	6	0	0	0	0
Applications Pending 30/06/06	9	34	1	0	3

(1) Licences issued includes all new licences issued, renewed licences as well as existing licences that have been upgraded to a new category of licence.

**Complaints Received and Investigated by the Commission
01/07/05 - 30/06/06**

Operations	Table games	Keno	Gaming machines	Exclusions	Other (general)	Minor gaming	Total
Casino	16	0	3	0	0	0	19
Hotel	N/A	14	23	0	1	1	39
Club	N/A	0	2	1	0	0	3
Gaming Operator	N/A	1	1	0	0	0	2
Other	N/A	0	0	0	0	2	2

Summary of CSL Expenditure 2005-06

	50% of Levy to: Support Services, Research, Community Education, Other Health Services	25% of Levy to: Sporting Organisations	25% of Levy to: Charitable Organisations	Total
	\$	\$	\$	\$
Receipts	2 189 574	1 094 787	1 094 787	4 379 147
Expenditure				
Administration and on costs	179 737			179 737
Gambling Support Services	755 888			755 888
Gambling Community Education	250 159			250 159
Gambling Research	117 899			117 899
Healthy Lifestyle	216 004			216 004
Sport and Recreation Grants		1 409 654		1 409 654
Charitable Organisations Grants			260 452	260 452
Social Programs	776 554			776 554
Neighbourhood Houses (Recurrent)	1 387 906		693 952	2 081 858
Neighbourhood Houses (Capital)			6 500	6 500
Neighbourhood Houses (Community Capacity Building)	182 348			182 348
No Interest Loans Scheme (NILS)			94 000	94 000
Tasmania Gambling Exclusion Scheme	45 000			45 000
Total Expenditure	3 911 495	1 409 654	1 054 904	6 376 053
Balance 30 June 2006*	258 413	63 159	785 828	1 107 400

*Note: Balance 30 June 2006 includes funds held in trust by the Department of Treasury and Finance and also funds held by the Department of Health and Human Services.

GLOSSARY

Betting Exchange

A betting exchange means a facility that enables persons to:

- (a) place or accept, through the betting exchange operator, wagers with other persons; or
- (b) place with the betting exchange operator wagers that, on acceptance, are matched with opposing wagers placed with and accepted by the operator (so as to offset all risk to the operator);

Break Even Network:

A group of gambling support service providers, contracted by the Department of Health and Human Services and funded through the Community Support Levy, offering counselling services and support to anyone affected by gambling.

Casino gaming:

Includes wagers on table games, gaming machines and keno systems at a casino. Casino games have set rules and fixed odds, designed to return a percentage from each wager to the casino operator.

Commission Rules:

Section 91 of the *Gaming Control Act 1993* enables the Commission to make rules for the conduct of gaming in licensed premises in respect of which a licensed premises gaming licence is in force. This type of licence is issued to clubs and hotels.

Gambling:

The lawful placement of a wager or bet on the outcome of a future uncertain event.

Gaming:

Gaming is all legal forms of gambling other than racing and sports betting, such as lotteries, poker and gaming machines, casino gaming, football pools, interactive gaming and minor gaming.

Gaming Machines:

A device where a player may place a small wager on a game of pure chance, or a game of both chance and an application of game rules, but not pure skill or manual dexterity, and potentially win a prize either in cash or in kind. In most jurisdictions, including Tasmania, operators must return at least 85 per cent of wagers to players as

winnings, either by cash or a mixture of cash and product. Gaming machines have the capacity to be linked in order to offer major jackpots.

Gratuitous gaming:

Games played strictly for fun in a club or at a private function.

Instant lottery:

This is more commonly known as 'scratchie tickets', where a player scratches a coating off the ticket to identify from the characters underneath, whether the ticket is a winner. Prizes in the instant lottery are paid on a set return to players and are based on the number of tickets in a set, the cost to purchase the tickets and a set percentage retained by the operator for costs.

Interactive gaming:

Interactive gaming is defined as gambling on activities conducted via an Internet casino site. It specifically excludes wagering in the form of racing and sports betting and lotteries via the Internet.

Keno:

A game where a player wagers that their chosen numbers match any of the 20 numbers randomly selected from a group of 80 numbers via a computer system. Keno is linked to all licensed gaming venues in Tasmania enabling the operator to offer large jackpot prizes. Keno has a fixed pay-scale such that the payout for each wager is established by rules, and is independent of the total wagers made on the game.

Licensed premises gaming licence:

A licensed premises gaming licence authorises the holder to obtain and possess gaming machines, keno equipment and other gaming equipment at the licensed premises to which the licence relates. This type of licence is issued to clubs and hotels.

Lotteries:

Lotteries are conducted Australia-wide by both government and commercial operators. There are three components to a lottery, the purchase of a ticket, a draw and a prize. A person whose ticket is selected in a lottery, wins a prize based on the total amounts wagered after deduction of a set percentage by the operator to cover costs. Lotteries are sold at various outlets around Australia such as newsagents. The operators may also conduct lotto, pools and instant lotteries.

Lotto:

A game where a player selects any six numbers from 1 to 45 in anticipation that those numbers will be among 8 numbered balls, randomly drawn from a ball draw device containing 45 balls numbered from 1 to 45. There are five prize divisions, with division one being the major prize. The amount of prize pay-out for each division is dependent on the amount of wagers made, less the operator's costs.

Minor gaming:

The collective name given to raffles, bingo, lucky envelopes and the like.

On-course bookmakers:

Persons licensed to accept wagers at a racetrack on both horses and greyhound racing. A player can wager any amount above a set minimum and will receive the bookmaker's odds at the time of making the wager, irrespective of whether the bookmaker later alters those odds.

On-course totalisator:

This is a TAB operated at a racecourse during race meetings.

Pools:

The pools is a numbers game of chance where the winning numbers are based on the results of the United Kingdom or Australian soccer matches.

Racetrax:

A simulated horse and greyhound racing game.

Racing:

Is the legal betting with bookmakers and totalisators, both on racecourses and off-course (TAB).

Special employee:

A special employee is the holder of a licence under the *Gaming Control Act 1993* who may be employed by a gaming venue or casino to undertake prescribed duties in relation to gaming operations, typically the operation of keno, gaming machines and casino table games.

Sports betting:

The wagering on all types of local, national and international sporting activities (other than the established forms of horse and greyhound racing), whether on or off-course, in person, by telephone, or via the Internet.

Technician:

A technician is the holder of a licence under the *Gaming Control Act 1993* who may install, repair or maintain gaming equipment in Tasmania, including gaming machines, security systems and gaming equipment.

Totalisator Agency Board (TAB):

This form of gaming is Australia-wide and is the amount wagered at TAB outlets (other than those on a race track). Totalisator gaming is where a player makes a 'unit' wager, the operator deducts a percentage of the total units wagered, and the remainder is returned as dividends (winnings) to players in multiples of the unit wagered.

Turnover:

The total amount of money wagered by gamblers, including recycled winnings.

Wagering:

Wagering is all legal forms of gambling on racing and sporting events.