



PERFORMANCE AUDIT REPORT

6 February 2024

# Minimising gambling harm

Report 9: 2023–24

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The Honourable C Pitt MP  
Speaker of the Legislative Assembly  
Parliament House  
BRISBANE QLD 4000

6 February 2024

This report is prepared under Part 3 Division 3 of the *Auditor-General Act 2009*.



Karen Johnson  
Acting Auditor-General



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ISSN 1834-1128

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## Acknowledgement

The Queensland Audit Office acknowledges the Traditional and Cultural Custodians of the lands, waters, and seas across Queensland. We pay our respects to Elders past, present, and emerging.

We use the term 'First Nations people' in this report. We respect First Nations people's choice to describe their cultural identity using other terms, such as Aboriginal and Torres Strait Islander peoples, particular peoples, or by using traditional place names.

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## Help and support

If you or someone you know is experiencing problems with gambling, support options are available. These include:

- Gambling Helpline: 1800 858 858 – available 24 hours, 7 days a week
- Gambling Help Online: visit [www.gamblinghelponline.org.au](http://www.gamblinghelponline.org.au)
- Gambling Help Queensland: face-to-face counselling – visit [www.gamblinghelpqld.org.au/locations](http://www.gamblinghelpqld.org.au/locations)
- Lifeline: 13 11 14 – available 24 hours, 7 days a week.

# Report on a page

Gambling is a form of entertainment, but it can be harmful. Its negative effects can be widespread – impacting individuals, families, and communities. Gambling has grown significantly in Queensland in recent years, with losses in 2022–23 totalling \$6.1 billion, up 36 per cent since 2018–19.

The Office of Liquor and Gaming Regulation in the Department of Justice and Attorney-General (the department) leads the government’s response to gambling harm, through various measures, including the *Gambling harm minimisation plan for Queensland 2021–25* (harm minimisation plan). We assessed how effective Queensland’s strategies are in minimising and preventing gambling-related harm.

## Protecting consumers and communities from harm

Consumers and communities need greater access to preventative measures and resources to mitigate gambling’s adverse effects. The harm minimisation plan emphasises the importance of preventative strategies, but work undertaken to date has lacked sufficient proactive, preventative initiatives that adequately target potential harm and are tailored to the needs of at-risk groups.

While the government receives taxes and levies from gambling activities, a disproportionately small amount (0.62 per cent) is funded back to the department to deliver harm minimisation services. (See Figure A.) This has constrained the department’s ability to deliver some services. Although the government has provided additional one-off funding between 2022–23 and 2024–25, the department may face similar problems in delivering services into the future without greater resources.

**Figure A**  
**Queensland gambling snapshot – 2022–23**



Notes: \*Gambling turnover is the amount of money bet, regardless of whether that money is won or lost. ^Funding for minimising gambling harm comprises \$9.8 million in annual funding and \$2.1 million in additional funding.

Source: Compiled by the Queensland Audit Office using information from the Department of Justice and Attorney-General and Queensland Treasury.

Historically, most of the department’s funding and resources go toward gambling help services. But these services are not adequately tailored to the needs of at-risk groups. For example, some of the existing programs and services lack culturally sensitive support for First Nations people and diverse communities. Gambling help services are also being underutilised in some regional and remote areas. The department commissioned reviews of its gambling help services and self-exclusion program, but it has been slow to act on the recommendations for improvement they provided.

The department needs up-to-date information on gambling harm and its impact to inform prevention efforts. It has not conducted targeted state-based research for over 9 years, which increases the risk that the harm minimisation plan and its initiatives are not designed or tailored to meet Queenslanders’ needs.

## Regulating the gambling industry

The *Queensland responsible gambling Code of Practice* (the code of practice) is one of the key mechanisms that sets out the requirements and expectations of the industry. However, the voluntary nature of the code of practice inhibits the department’s ability to effectively regulate responsible gambling and hold industry to account. The department’s regulatory program does not take a comprehensive risk-based approach, which means it may not focus on higher-risk areas. It also lacks key regulatory elements such as an effective system to monitor and report on compliance and educate the industry.

## Implementing and monitoring harm minimisation strategies

To strengthen the delivery of its strategies, the department needs to improve its governance arrangements. It should better define roles and responsibilities, project management, and decision-making processes, especially where industry and community groups are involved.

The department is unable to determine whether it has been effective in minimising gambling harm, as it has not established robust and comprehensive measures to evaluate the impact of work undertaken to date.

We made 10 recommendations to improve how the department protects consumers and communities from gambling harm and to strengthen research, regulation, and implementation of its strategies.

# 1. Audit conclusions

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The Department of Justice and Attorney-General has made progress in recent years in improving its approach to minimising gambling harm, including releasing the harm minimisation plan. However, the department can do more to improve prevention, support, and treatment for gambling harm, particularly for those at greatest risk.

The department's strategies largely align with contemporary approaches, but could be better informed by Queensland-specific research and the current risks and issues facing Queenslanders. Inadequate governance and project management practices have hindered the department's efforts to implement these strategies. At the time of the audit, implementation of programs and initiatives was significantly behind schedule and had been subject to limited oversight.

Additionally, the department's initiatives have mainly focused on supporting and treating people who are experiencing gambling-related harm. More needs to be done to prevent people from developing gambling problems. This includes the implementation of an enhanced self-exclusion system to support consumers in restricting their gambling activities.

The department faces challenges in delivering the harm minimisation plan due to the scale of gambling harm across the community and the disproportionately low level of government funding. Over the past 5 years, the funding for harm minimisation has not kept pace with the increase in problem gambling nor the significant increase in gambling revenue. The gambling taxes and levies have increased by \$578 million between 2018–19 and 2022–23 (43.4 per cent). Despite this, the department has not received additional funding to deliver the harm minimisation plan, except for a one-off injection of \$3.4 million. Much of the additional funding has been for short-term programs or initiatives and therefore, has not improved the department's ability to continue to address long-term needs.

The gambling industry plays a critical role in protecting consumers from harm. However, the department's regulatory program is not effective in holding the gambling industry to account. This is primarily due to the lack of a mandated code of practice, limited risk assessments, and inadequate compliance activities. The department needs to address these issues to demonstrate that regulatory compliance activities are targeting areas of highest risk and effectively managed to minimise gambling harm.

Overall, the department does not know whether its existing strategies have been effective in reducing gambling-related harm in Queensland. While it knows its programs help some individuals, it needs an overall assessment of the effectiveness of its services. The department needs to strengthen its governance arrangements and establish robust monitoring and reporting processes to implement its strategies effectively.





## 2. Recommendations

We have directed the recommendations in this report to the Department of Justice and Attorney-General (the department).

### Protecting consumers and communities from harm

We recommend that the department:

1. develops a plan to improve and sustain its understanding of gambling-related harm and its prevalence in Queensland (Chapter 4). This should include
  - conducting regular and targeted studies to assess the extent and impact of gambling issues
  - prioritising Queensland-specific research to identify key challenges and vulnerabilities
2. comprehensively assesses the long-term funding needed to effectively deliver its harm minimisation plans (Chapter 4)
3. develops and implements strategies and initiatives aimed at preventing gambling-related harm in Queensland. This should include greater focus on at-risk groups and emerging gambling activities such as wagering (Chapter 4)
4. completes its implementation of the recommendations from the 2021 review of gambling help services (Chapter 4). This should include
  - tailoring support services to better meet the needs of at-risk groups and make them more accessible
  - improving community education initiatives to reach more people at risk of gambling harm
  - addressing challenges in accessing non-therapeutic counselling options like financial counselling and peer support
  - designing and implementing outcomes-focused performance measures for gambling help services to enable more effective performance monitoring
5. works with relevant industry stakeholders to prioritise the development of a centralised self-exclusion system in Queensland. In doing this, it should ensure data- and privacy-related risks are known and effectively managed (Chapter 4).

### Regulating the gambling industry

We recommend that the department:

6. prioritises completing its review of the *Queensland responsible gambling Code of Practice* to align with its goal of implementing it as a mandatory requirement in Queensland (Chapter 5). This should include
  - updating the code of practice to reflect current better practices and ensure that it promotes a safer gambling industry
  - developing an enforcement mechanism that holds gambling operators accountable for breaches of the code of practice
7. implements a comprehensive and risk-based approach to assessing and managing gambling-related risks (Chapter 5). This should include
  - conducting regular risk assessments of gambling activities and operators, considering factors such as compliance history, location, gambling turnover, and socio-economic factors
  - developing a risk-based system for identifying and prioritising high-risk gambling providers
  - targeting compliance activities towards high-risk gambling providers and activities
  - using data and insights to inform and improve the department's compliance program
8. strengthens its regulatory oversight of the gambling industry to ensure that gambling providers are implementing effective harm minimisation measures (Chapter 5). This should include
  - developing and implementing detailed and harm-focused inspection checklists
  - providing regular training to compliance officers on harm minimisation and compliance inspections
  - regularly monitoring and reporting on the performance of regulatory activities with a focus on harm minimisation outcomes.

### Implementing and monitoring harm minimisation strategies

We recommend that the department:

9. strengthens its governance and performance monitoring arrangements for delivering the harm minimisation plan (Chapter 6). This should include
  - developing and implementing a clear and comprehensive governance framework that outlines the roles and responsibilities of all stakeholders, accountability mechanisms, project management, and decision-making processes
  - managing perceived or actual conflicts of interest among stakeholder groups through robust governance structures and risk management protocols
  - establishing effective monitoring and reporting processes to track progress, identify and address issues early on, and ensure that the plan is achieving its objectives
  - establishing formal processes for altering the annual plans, such as changes to scope, milestones, and budget
10. improves its processes for evaluating the effectiveness of its strategies and their impact on gambling prevalence and harm (Chapter 6). This should include
  - developing clear and measurable performance indicators that align with the broader strategy outcomes
  - setting clear benchmarks or targets for performance measures to assess how well the department is performing against its goals
  - collecting baseline data to assess the performance of its strategies and initiatives
  - conducting regular evaluations of its strategies and initiatives, including assessing their impact on changes in behaviour over time.

## Reference to comments

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In accordance with s. 64 of the *Auditor-General Act 2009*, we provided a copy of this report to relevant entities. In reaching our conclusions, we considered their views and represented them to the extent we deemed relevant and warranted. Any formal responses from the entities are at [Appendix A](#).



# 3. Gambling in Queensland

Gambling is a major economic and social issue in Queensland. In 2022–23, Queenslanders spent over \$56 billion on gambling, equivalent to about 12 per cent of the value of all goods and services produced in Queensland (the gross state product). Gambling can lead to more than just financial losses. It can also damage relationships, cause emotional distress, or even lead to criminal activity. The negative effects of gambling can extend beyond individual gamblers and impact their families and communities.

This chapter provides information on gambling activities and their impact in Queensland.

## What are the common gambling activities in Queensland?

Gambling is a popular activity in Queensland, with most adults participating at least once a year. The most common forms of legal gambling in Queensland include:

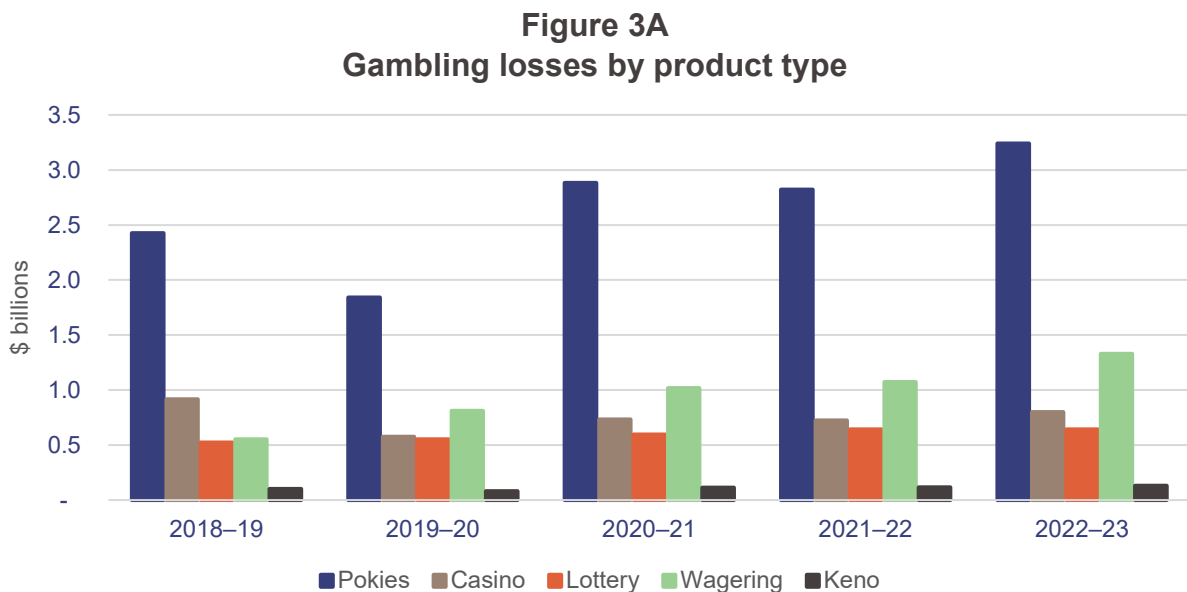
- electronic gaming machines or pokies
- casino table games
- lotteries
- wagering, such as betting on racing and sporting events
- keno.

Specific legislation regulates each form of gambling in Queensland. For example, the *Casino Control Act 1982* regulates casinos, while the *Gaming Machine Act 1991* regulates pokies. Industry bodies, like casinos, clubs, hotels, and wagering operators, deliver gambling services to consumers.

## Queenslanders have lost over \$25 billion to gambling in 5 years

Gambling losses have substantially increased in recent years. In 2022–23, the total gambling loss in Queensland was \$6.1 billion, an increase of 36 per cent from 2018–19. Pokies accounted for over half of the gambling loss in 2022–23 (53 per cent).

Figure 3A shows annual gambling losses by product from 2018–19 to 2022–23. Over these 5 years, Queenslanders lost \$25.2 billion to gambling.



Note: From October 2018, wagering includes interstate operators authorised to conduct betting operations in Queensland.

Source: Compiled by the Queensland Audit Office using information from the Department of Justice and Attorney-General.

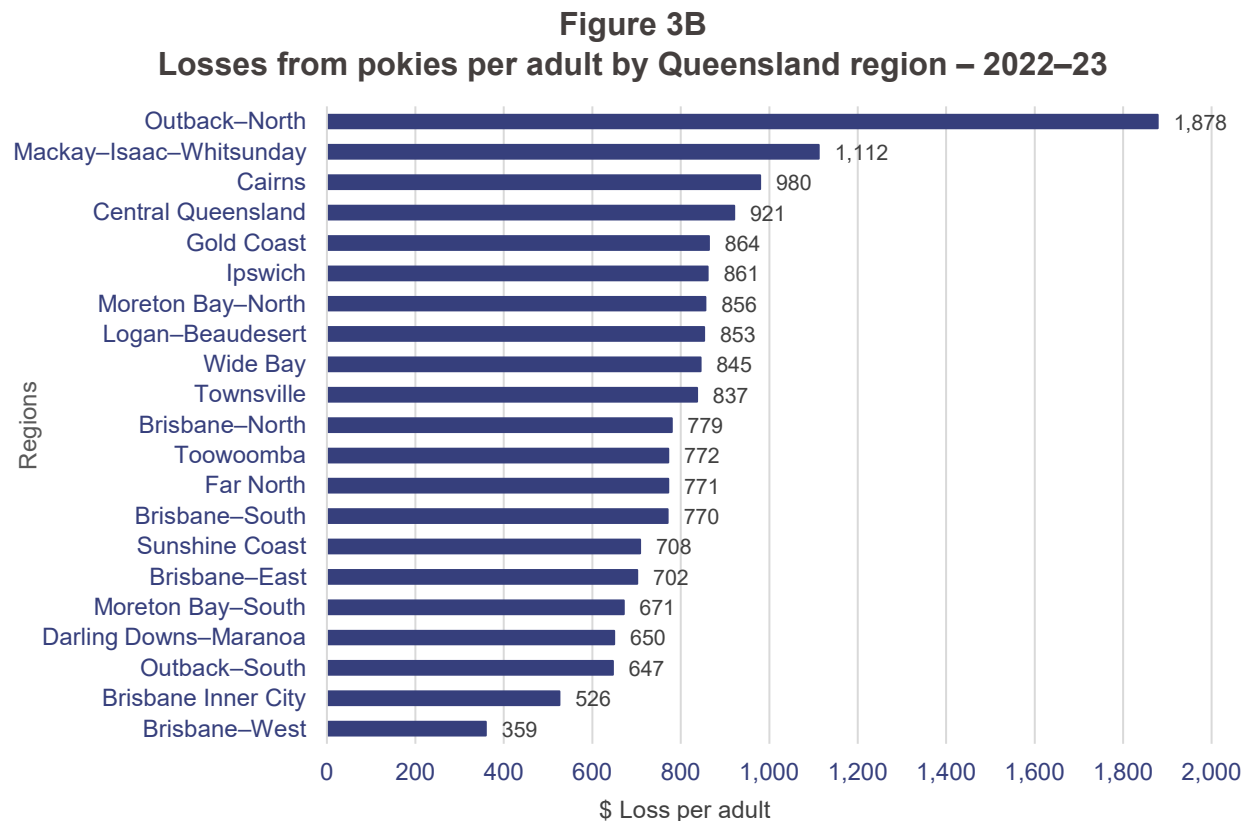




## Losses from pokies varied significantly across Queensland

As shown in Figure 3A, pokies account for a large portion of Queensland's annual gambling losses. Australia has the highest pokies loss per capita in the world, and Queensland ranks third in Australia, after the Northern Territory (second) and New South Wales (first). This highlights the significant role of pokies in both the Queensland and Australian gambling landscapes. At 30 June 2023, Queensland had 40,124 pokies operating across 1,037 venues. In 2022–23, Queensland players lost \$3.2 billion on these machines. Figure C1 in [Appendix C](#) shows the number of pokies and losses by Queensland regions.

The losses from pokies in 2022–23 varied widely based on location. For example, players in the Brisbane–West region lost \$52.2 million, averaging \$359 per adult on 768 pokies. In contrast, players in the Outback–North region lost \$42.1 million, averaging \$1,878 per adult on 538 pokies – 423 per cent higher than in Brisbane–West. Figure 3B shows the losses from pokies per adult across Queensland in 2022–23.



Note: The losses from pokies per adult are based on the total adult resident population of each region, not the population of adults who gamble in the region, and does not include tourist population or mobile working populations (for example, seasonal workers). This is the standard way in which pokies losses are reported, as data on the number of adults gambling within each region is not available.

Source: Compiled by the Queensland Audit Office using information from the Department of Justice and Attorney-General.

## Who is responsible for minimising gambling harm?

All of Queensland’s gambling legislation has the specific objective of ensuring that, on balance, the state and the community as a whole benefit from gambling. Minimising potential harm from gambling is one of the means listed for achieving this.

Under the legislation, the gambling industry and the government both have important roles in minimising gambling harm in Queensland. They are responsible for ensuring gambling is conducted responsibly and people who experience problems with gambling have access to support.



Gambling operators have a responsibility to minimise the potential for harm and keep their customers and communities safe. This means that they should prioritise customer wellbeing and support Queenslanders in gambling safely. This involves implementing responsible gambling practices and providing resources for individuals struggling with gambling-related issues.

The Office of Liquor and Gaming Regulation, within the Department of Justice and Attorney-General, is responsible for minimising gambling harm through several mechanisms, including:

- issuing of licences to gambling providers in Queensland, such as clubs, hotels, and casinos
- regulating the gambling providers in line with legislative and other requirements
- ensuring gambling harm prevention and treatment services are available
- raising public awareness of gambling harm.

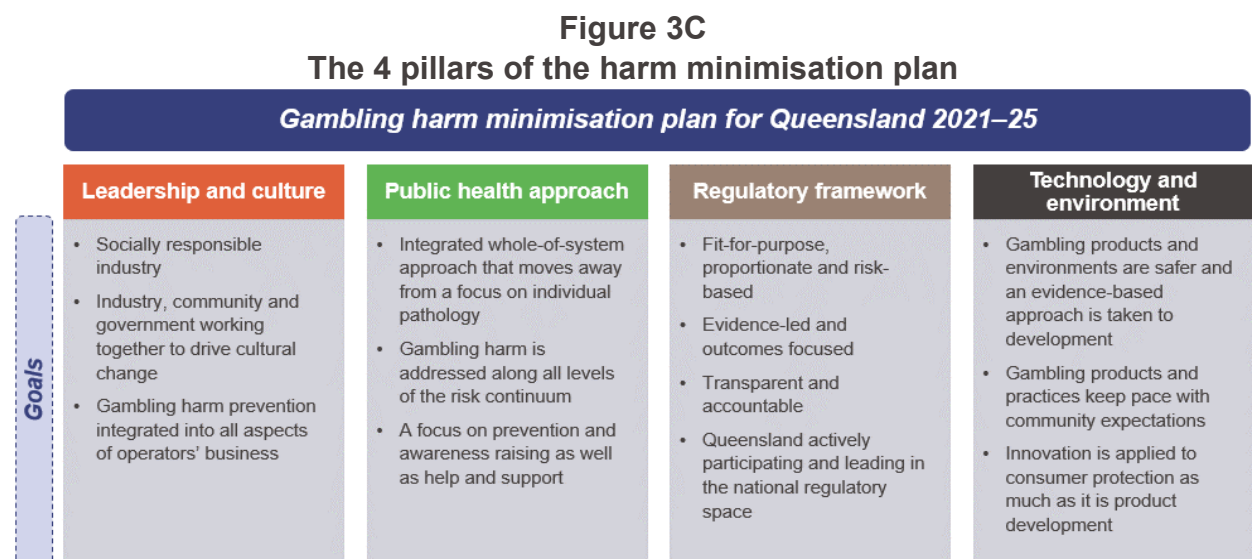
The government sets the legislative framework and provides oversight, and the gambling industry is expected to adhere to these regulations and take proactive steps to minimise harm. However, the government can only regulate gambling providers who are based in Queensland. This means it does not regulate wagering gambling providers based in other jurisdictions, even if they are accessible in Queensland. These gambling providers are regulated by the jurisdictions where they are licensed. Accordingly, this audit only considers the regulatory activities of the single wagering operator based in Queensland.

## What is the department’s strategy for minimising gambling harm?

The department incorporates harm minimisation activities into its wider regulatory and non-regulatory approaches for gambling. This includes the evaluation of gambling products and their potential for harm, licensing processes, and compliance activities.

The *Gambling harm minimisation plan for Queensland 2021–25* (the harm minimisation plan), released in July 2021, is a key component of the department's broader strategy for minimising gambling harm. This plan outlines specific initiatives to reduce the prevalence and impact of gambling-related harm in Queensland.

A diverse group of stakeholders is delivering the harm minimisation plan. This includes the department, the gambling industry, and community organisations. Figure 3C shows the 4 pillars of the harm minimisation plan and the goals of each.



Source: Compiled by the Queensland Audit Office using information from the Department of Justice and Attorney-General.



The Safer Gambling Advisory Committee is an important stakeholder in ongoing efforts to minimise gambling harm. This advisory committee, previously known as the Responsible Gambling Advisory Committee, includes representatives from industry, community, and government. Its primary role is to provide advice and make recommendations to the responsible minister on policies, strategies, and regulatory measures for addressing gambling harm. The department has tasked the committee with providing strategic advice on implementing the harm minimisation plan.



## 4. Protecting consumers and communities from harm

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This chapter is about how the Department of Justice and Attorney-General (the department) targets programs and initiatives to prevent gambling harm and support those affected.

### Does the department understand gambling harm and its impact across Queensland?

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Better practice approaches for understanding gambling harm and its impact include the use of prevalence studies and targeted research. Prevalence studies provide a broad overview of the problem, while targeted research provides in-depth insights into specific aspects of gambling harm.

#### Outdated understanding of gambling prevalence and risks

The department's understanding of gambling prevalence and risks in Queensland is outdated. Its knowledge of gambling prevalence is based on a study conducted in 2016–17, more than 6 years ago. Additionally, the department has not conducted any targeted research specific to gambling in Queensland for over 9 years.

This has resulted in a limited understanding in Queensland of the:

- extent and impact of gambling activities across the state
- risks and issues related to gambling
- groups most at risk of gambling harm.

The department has acknowledged this gap and advised that a lack of funding has prevented it from undertaking comprehensive research or further studies.

#### Improvement is needed in understanding gambling prevalence

The 2016–17 gambling prevalence study estimated that approximately 2 in 3 adult Queenslanders had participated in gambling (71 per cent). It also indicated that around 3 per cent of the population was at moderate or high risk of harm from gambling. While this may seem low, it equates to over 100,000 Queenslanders facing or potentially facing significant personal, social, and financial challenges from gambling.

In mid-2022, the Queensland Government approved funding of \$1.3 million for the department to conduct a new prevalence study. In early 2023, the department commissioned the Queensland Government Statistician's Office, part of Queensland Treasury, to conduct it. The study was still in progress at the time of the audit, and a report on the findings is expected to be published by the department by June 2024. However, prior to this no additional funding has been provided to support the department in undertaking similar exercises. We discuss funding allocation later in this chapter.



## Queensland-specific research is required to better understand gambling risks and issues

In the absence of Queensland-specific research, the department has utilised research undertaken by other Australian jurisdictions to formulate its approach. This can offer valuable insights, especially if the research is aligned with Queensland's local gambling environment. However, each jurisdiction, including Queensland, has its own challenges. Factors such as geography, population spread, cultural nuances, differences in legislation, and regulatory approaches contribute to this, resulting in diverse gambling behaviours and patterns. While referencing research from other jurisdictions is helpful, Queensland-specific research is needed to highlight and address the state-specific gambling risks and challenges.

New South Wales, Victoria, and South Australia have mapped out research agendas focusing on gambling harm. These support research direction, understand local issues, and gather evidence that can pave the way to reducing harm. New South Wales and Victoria undertake and publish their research on an annual basis.

Queensland does not have a research agenda relating to gambling harm. Queensland and other jurisdictions financially support the national gambling research body, Gambling Research Australia. While its research has been valuable, it mainly focuses on the national level and lacks detailed insights into Queensland's specific gambling risks and issues. Additionally, the body is currently evaluating its operating model and is conducting fewer research projects.

## Improved understanding is needed of at-risk groups

The department's harm minimisation plan identifies key groups at risk of gambling. It determined these groups primarily using research from other jurisdictions. The at-risk groups include:

- First Nations people and communities
- young people
- culturally and linguistically diverse persons
- other vulnerable population groups, such as individuals experiencing family or domestic violence and mental distress.

Without in-depth local research, it is uncertain whether the identified at-risk groups fully represent Queensland's gambling environment. There may be other at-risk groups that the department has not identified, which require specific research and strategies.

The department's outdated and limited understanding of gambling prevalence, issues, and at-risk groups increases the risk of it using resources on ill-informed and outdated programs and initiatives. It needs to invest in regular and targeted prevalence studies and local research to improve its understanding of gambling harm in Queensland. Gaining this insight would guide its programs and initiatives, ensuring they address the most significant risks.



### Work in progress

In the 2022–23 budget, the Queensland Government allocated funding for the department to conduct a targeted research project on online gambling among First Nations people. At the time of the audit, this research project had not commenced.

### Recommendation 1

We recommend that the department develops a plan to improve and sustain its understanding of gambling-related harm and its prevalence in Queensland. This should include:

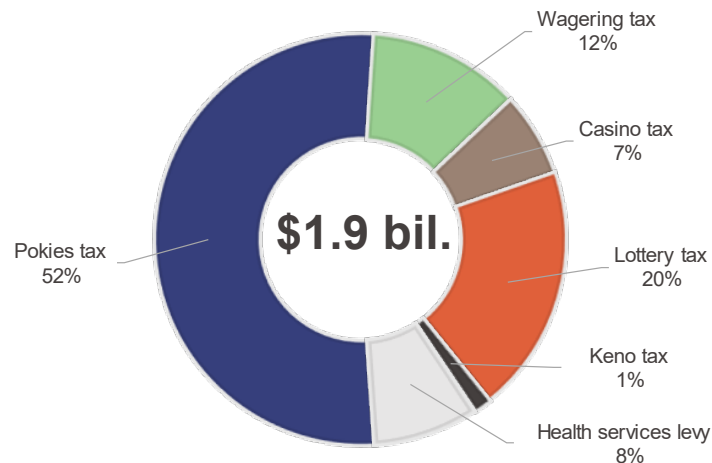
- conducting regular and targeted studies to assess the extent and impact of gambling issues
- prioritising Queensland-specific research to identify key challenges and vulnerabilities.

## How much funding is provided to address gambling harm?

### Gambling taxes and levies

In 2022–23, the Queensland Government collected \$1.9 billion in gambling taxes and levies. Pokies in clubs and hotels (52 per cent) and lotteries (20 per cent) generated most of this government revenue. Figure 4A shows the gambling taxes and levy in 2022–23.

**Figure 4A**  
**Gambling taxes and levy – 2022–23**



Note: Hotels with pokies in Queensland are required to pay a health services levy. The percentage of the levy is based on the monthly taxable metered wins (that is, the amount bet less payout to players) over \$100,000. This levy is in addition to the tax on pokies.

Source: Compiled by the Queensland Audit Office using information from the Department of Justice and Attorney-General and Queensland Treasury.

### Revenue from betting tax

In October 2018, the Queensland Government introduced a point-of-consumption tax on betting (betting tax). In the 2018–19 Queensland Budget papers, the government stated that it was consulting with various stakeholders to determine appropriate measures this tax revenue would fund. These measures included initiatives to enhance responsible gambling. Since implementing the betting tax, the government has collected over \$700 million in additional taxation revenue. Despite this, the department has received minimal increases in funding to enhance responsible gambling in Queensland.

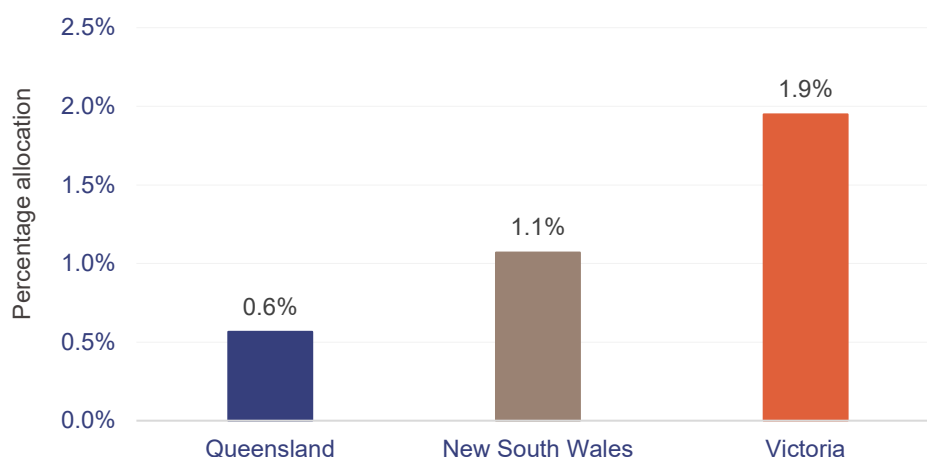
### Funding is not linked to the level of gambling activity or tax revenue

Funding that the government has allocated to address gambling harm has no direct correlation with the amount of gambling activity or the tax revenue collected from those activities. Queensland’s annual funding for minimising gambling harm averaged \$9.3 million over the last 5 years (2018–19 to 2022–23).

Among jurisdictions with publicly available funding information, Queensland has historically reinvested a lower percentage of gambling taxes towards activities related to minimising gambling harm. Figure 4B compares the proportions of gambling taxes allocated for minimising gambling harm across selected jurisdictions in 2021–22.



**Figure 4B**  
**Proportion of gambling taxes allocated to minimising harm – 2021–22**



Note: 2022–23 figures are not yet available for all 3 states.

Source: Compiled by the Queensland Audit Office using information from the relevant states' financial statements and reports relating to gambling-related harm.

### The harm minimisation plan has not resulted in an ongoing funding increase

The department released its harm minimisation plan in July 2021 to address the increasing risk of gambling harm. Despite this, the department has not been allocated additional funding to deliver the plan, except for a one-off injection of \$3.4 million provided over 3 years, as follows:

- 2022–23 – \$2.1 million
- 2023–24 – \$1.2 million
- 2024–25 – \$0.1 million.

It is unclear whether there will be any further funding beyond this one-off injection. This may impact the department's ability to maintain an understanding of the issues and to support ongoing delivery of initiatives under the harm minimisation plan.

#### Recommendation 2

We recommend that the department comprehensively assesses the long-term funding needed to effectively deliver its harm minimisation plans.

## How is the department preventing gambling harm?

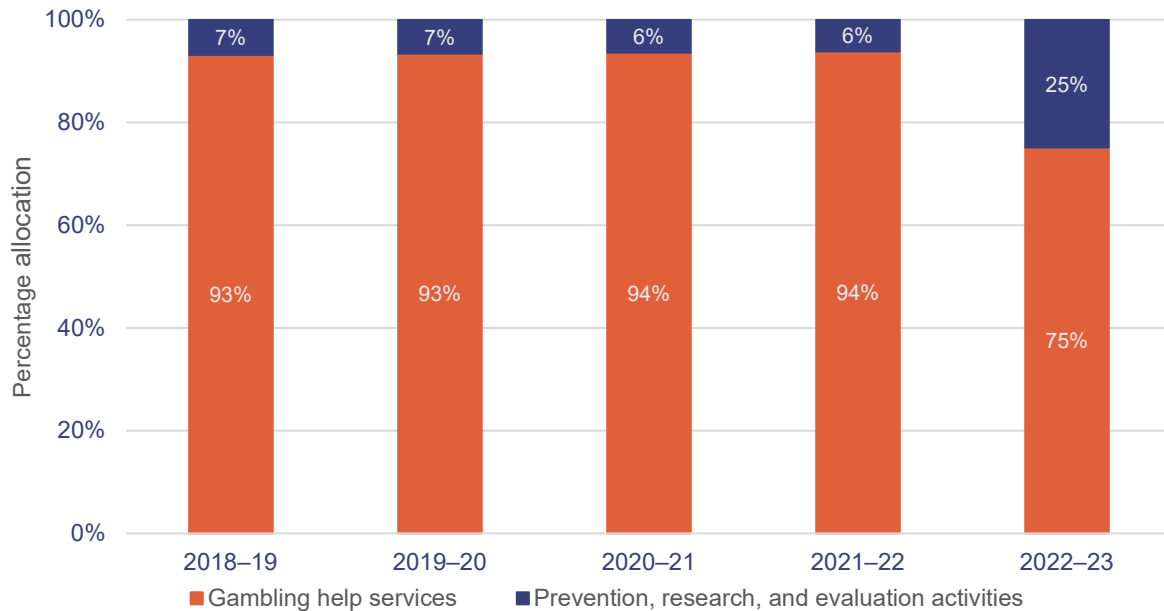
The department has adopted a public health approach to delivering the harm minimisation plan. This approach to gambling aims to prevent problems from occurring in the first place and to promote the health and wellbeing of the entire population. It typically involves a range of measures, from prevention and early intervention to treatment and support services.

### Lack of programs aimed at preventing harm before it develops

The department's initiatives to date have not been sufficiently proactive in targeting potential harm and at-risk groups. As a result, it is not effectively fulfilling its legislative mandate to minimise gambling harm. This approach also deviates from the focus of the department's harm minimisation plan and public health approach, which emphasise preventative programs as a key element of harm reduction efforts.

The department’s allocation of resources focuses on treating individuals with gambling problems through gambling help services. Figure 4C shows the department’s annual funding allocation for minimising gambling harm over the past 5 years.

**Figure 4C**  
**Gambling harm funding allocation over 5 years**



Source: Compiled by the Queensland Audit Office using information from the Department of Justice and Attorney-General.

From 2018–19 to 2021–22, the department allocated approximately \$300,000 annually for gambling-related prevention, research, and evaluation programs. For 2022–23, the total allocation has increased in line with the one-off funding injection. However, this is still significantly less than jurisdictions like Victoria, which invested over \$15 million on gambling prevention programs in 2020–21 alone. Victoria’s programs aimed to raise awareness about safer gambling practices, the impacts of gambling problems, and available help. In October 2023, the New South Wales Government announced additional funding of \$100 million over 5 years for harm minimisation initiatives. These initiatives include prevention programs for promoting safer gambling practices and resources to support those affected.

In addition to treating individuals with gambling problems, the gambling help services also provide general education about gambling harm within communities. This includes educating gambling venue staff about the signs and consequences of gambling harm. Apart from this initiative, the department has historically relied primarily on limited specific programs to raise gambling harm awareness. These programs have mostly involved distributing awareness posters to gambling providers, paid washroom advertising in selected venues, and stocking brochures in general practitioner (GP) clinics. Figure 4D shows the types of programs the department delivered between 2018–19 and 2022–23.



**Figure 4D**  
**Programs for minimising gambling harm from 2018–19 to 2022–23**

	2018–19	2019–20	2020–21	2021–22	2022–23
	\$	\$	\$	\$	\$
Brochures in GP clinics	40,696	41,732	40,135	43,231	41,279
In-venue promotional materials	114,711	25,425	–	–	9,763
First Nations communities – specific campaigns	7,560	–	18,650	72,200	69,766
Community education materials	31,824	4,982	2,754	8,036	29,132
Gambling awareness campaigns	–	47,205	135,250	193,764	25,511
Evaluations and contributions to Gambling Research Australia	82,350	80,550	59,516	52,303	162,498
Queensland household gambling survey	–	–	–	–	552,120
Sports club partnership program	–	–	–	–	40,250
Culturally and linguistically diverse communities – research	–	–	–	–	19,459
Other	1,924	3,813	2,108	–	8,456
<b>Total actual expenditure</b>	<b>279,065</b>	<b>203,707</b>	<b>258,413</b>	<b>369,534</b>	<b>958,234</b>

Source: Compiled by the Queensland Audit Office using information from the Department of Justice and Attorney-General.

## Prevention programs need a greater focus on at-risk groups

Prevention programs typically aim to deter people from activities that could lead to gambling harm and mostly include educating people about the risks of gambling. To date, the department's prevention programs have not effectively targeted groups it has identified in its harm minimisation plan as being at high risk of experiencing harm. Apart from a few campaigns for First Nations communities, such as the *Let's start yarning about gambling* campaign, the department has not implemented other specifically tailored initiatives for over 5 years.

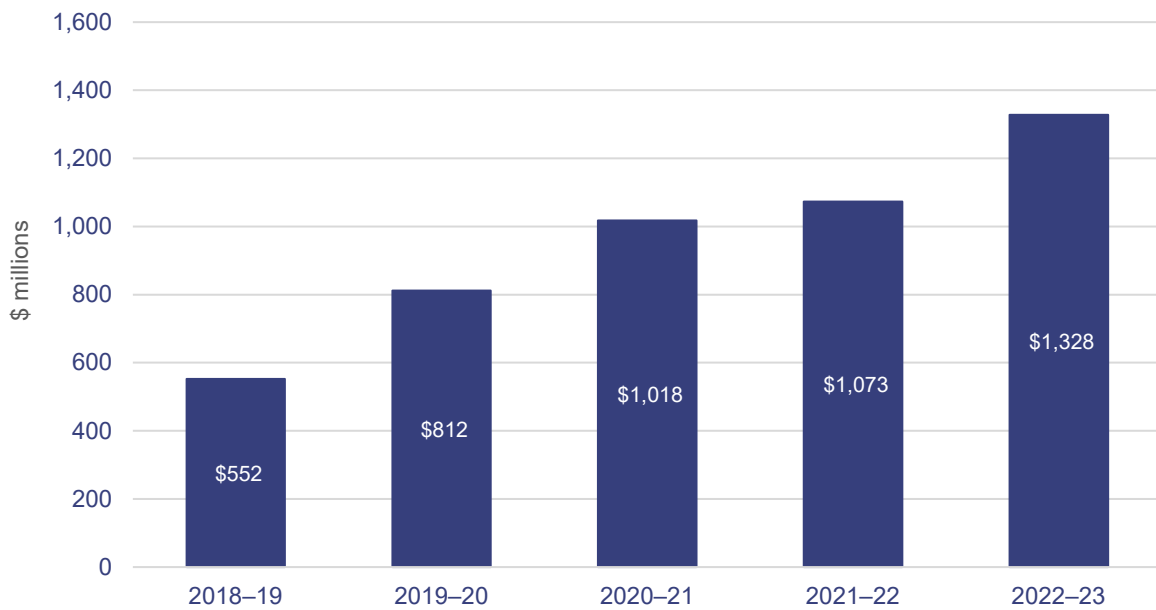
The department is in the early stages of developing some targeted programs for at-risk groups. This includes creating educational materials and programs for young people and people from culturally and linguistically diverse backgrounds. While this is a positive step towards addressing the needs of these at-risk groups, it is important that the department accelerates and expands these efforts.

## Queensland's growing wagering problem is not being addressed by prevention programs

The department's overarching strategy and commitment to minimising harm covers all forms of gambling, including online wagering. However, its programs and initiatives have not focused on wagering activities in the past.

Existing prevention programs in Queensland primarily focus on pokies. This is aligned with national and other jurisdictional research, which shows that pokies cause more harm than other forms of gambling. However, like other jurisdictions, Queensland is experiencing significant growth in wagering. Losses from wagering in Queensland, which includes online betting, rose to \$1.3 billion in 2022–23, up 24 per cent from the previous year. Figure 4E shows annual gambling losses from wagering over the past 5 years.

**Figure 4E**  
**Gambling losses from wagering from 2018–19 to 2022–23**



Note: From October 2018, wagering includes interstate operators authorised to conduct betting operations in Queensland.

Source: Compiled by the Queensland Audit Office using information from the Department of Justice and Attorney-General and Queensland Treasury.

While the department has not yet undertaken comprehensive research regarding wagering activities in Queensland, recent studies in Australia, particularly those carried out by the Australian Institute of Family Studies, highlight that wagering and its related harms are a growing concern.

In Australia, the oversight of wagering activities is a shared responsibility between the Australian and the state and territory governments. A key aspect of this approach is the *National Consumer Protection Framework for Online Wagering*. The department has been actively involved in the development and implementation of this framework, which encompasses a variety of preventative measures designed to mitigate gambling-related harm. Additionally, the recent inquiry into online gambling completed by the Parliament of Australia’s Standing Committee on Social Policy and Legal Affairs could further assist in implementing additional strategies to minimise harm from online gambling nationally. This inquiry provided valuable insights and recommendations aimed at reducing the harm caused by online gambling.

However, the department still has a significant role in protecting Queenslanders from all forms of gambling. As such, the department needs to broaden its focus beyond pokies and incorporate emerging gambling activities like wagering into its prevention programs. This could involve developing targeted interventions for at-risk groups and implementing public awareness campaigns about the potential dangers of using these products.

### Insufficient insights into the impact of prevention programs

The department’s program evaluations to date do not provide sufficient insight into their impact. As a result, it has limited knowledge about whether its programs and services effectively prevent or reduce gambling harm.

Its existing prevention programs primarily aim to raise awareness that gambling is harmful, but they are typically conducted for limited durations and on a small scale. While this is useful, short-term general awareness programs often lack the depth and sustained approach needed to effectively change attitudes and behaviours in the long term.

Figure 4F is a case study about a prevention program the department has been conducting for over 5 years. During this time, the department has not undertaken adequate evaluations to determine its effectiveness.



## Figure 4F

### Case study 1 – Assessing impact of a prevention program

#### Raising awareness of gambling harm in GP clinics

The department has partnered with an external provider to distribute brochures about gambling harm in GP clinics throughout Queensland.

Clinics display these brochures on information boards alongside other materials addressing topics like mental health and women's health. The department aims to raise awareness through this program about the signs of problem gambling and the available support services.

Although the department receives routine reports on this initiative from the external provider, these reports primarily detail program outputs rather than actual outcomes. For example, one report indicated that approximately 3,000 brochures were taken from 760 clinics from September to November 2022.

While such data is informative, it does not provide insight into the program's impact on its target audience in preventing or reducing gambling harm. The department has spent over \$200,000 on this program in the past 5 years.



Photo sourced from Print Campaign Report February 2023, Department of Justice and Attorney-General.

Source: Compiled by the Queensland Audit Office from information provided by the Department of Justice and Attorney-General.



#### Work in progress

The department is working on some preventive initiatives, including developing youth community education programs and a sports club partnership program. These programs aim to raise awareness about the risks of gambling harm in Queensland communities.

#### Recommendation 3

We recommend that the department develops and implements strategies and initiatives aimed at preventing gambling-related harm in Queensland. This should include greater focus on at-risk groups and emerging gambling activities such as wagering.

## How is the department supporting people experiencing gambling harm?

The department delivers treatment and support services through non-government gambling help services. These services aim to support people who experience or are affected by gambling problems, and to raise awareness and encourage people to seek help.

### Gambling help services require improvement

In 2021, the department commissioned an external review of the gambling help services. The review found that while certain aspects were beneficial for users, several areas needed improvement, including:

- The gambling help services were assisting fewer people and delivering fewer output hours, despite receiving annual funding increases, adjusted for inflation. Our analysis of data through to June 2023 supports this finding.
- Face-to-face counselling services could be improved to better meet client needs, such as consistency in clinical practices and providing aftercare.
- There were challenges in accessing non-therapeutic counselling options, like financial counselling and peer support.
- Referral pathways lacked adequate support at the state level.
- Community education initiatives were not reaching important client cohorts.

Furthermore, the department has not adequately tailored the gambling help services to address the needs of at-risk groups. Community groups we consulted expressed a strong need for the department to re-evaluate how these services cater to those groups.

For example, the existing services do not sufficiently address the needs of First Nations communities. The department has recently implemented educational materials tailored to these communities, but more needs to be done to provide culturally sensitive treatment and support. Other at-risk groups also require this type of tailored support, such as people from culturally and linguistically diverse communities.

The department received additional funding in the 2022–23 budget to improve gambling help services, including addressing the recommendations of the 2021 review. With this funding, the department is developing resources, such as appropriate screening tools and referral pathways for gambling help services, to better support potential users. The department is in the early stages of implementing these initiatives and expects to have a revised gambling help services model by June 2024.

## Gambling help services are being underutilised in regional and remote areas

Despite available data indicating a higher prevalence of gambling in several key regional and remote areas of Queensland, gambling help services remain underutilised in these regions. Regions such as Torres Shire and Weipa have a significantly higher number of pokies per adult and greater gambling losses compared to the state average. However, these areas have had limited engagement with gambling help services. It is acknowledged that some regional and remote areas of Queensland have a high amount of tourism and remote workers. This adds complexity in determining whether use of services within these regions is representative of the local population.

Figure 4G presents a case study highlighting the imbalance between access to pokies, gambling losses, and the use of gambling help services in selected regional and remote local government areas.

### Figure 4G

#### Case study 2 – Accessing gambling help services in regional and remote areas

##### Disparity in access to pokies, gambling losses, and help services in regional and remote areas

In Queensland, the local government areas with the highest losses from pokies per adult are Torres Shire Council, Weipa Town Authority, and Mount Isa City Council. They also rank among the highest in terms of the number of pokies per 10,000 adults.

Gambling help services based in Cairns, Townsville, and Mount Isa provide support services for these local government areas. However, the vast geographical areas these services cover can make it challenging for them to deliver face-to-face counselling, with counsellors needing to take long and costly trips. Although support services are available via telephone and online, uptake of these options has also been low. There is a clear need for greater awareness of the available options within these areas.

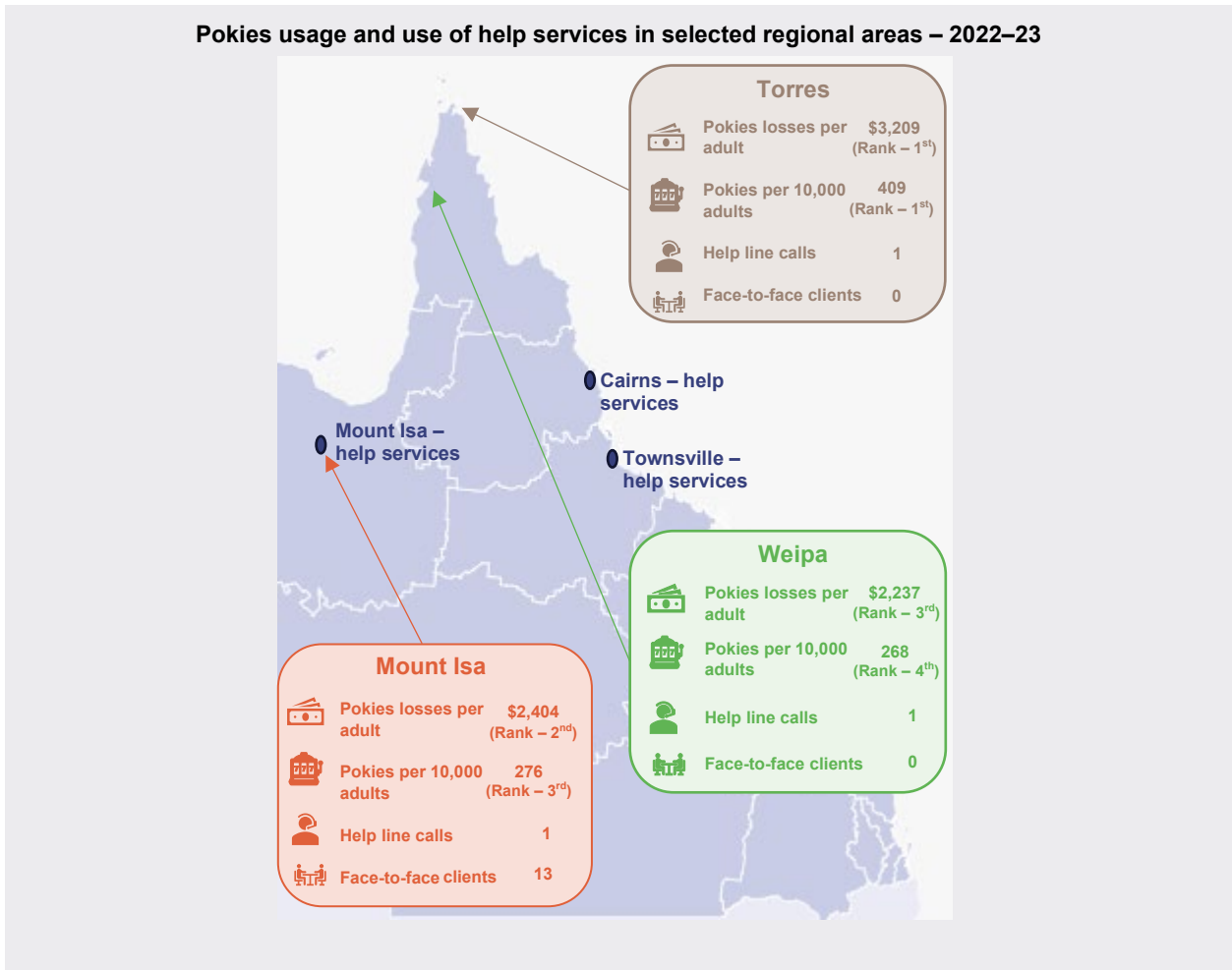
Service providers we interviewed indicated that they can only make limited visits to some of these local government areas. This was due to the existing funding model within their contracts not adequately covering travel costs, and performance measures relating only to counselling and community education hours delivered.

The department has been addressing these challenges, particularly through the new contractual arrangements effective from July 2023. This includes revising funding levels for non-metropolitan areas to accommodate the additional costs of service delivery in these regions.

However, the lack of appropriate support is still concerning as it potentially leaves individuals and communities that are struggling with gambling problems without timely access to necessary help. During the audit, the department commenced a project to increase the capacity of frontline workers in First Nations communities to recognise, better support, and refer clients experiencing gambling harm.



**Pokies usage and use of help services in selected regional areas – 2022–23**



Notes: The metrics ‘pokies losses per adult’ and ‘pokies per 10,000 adults’ shown in this case study are at the local government area (LGA) level. This differs from the data reported in [Appendix C](#), which shows aggregated values at the regional level. The rankings of the selected LGAs in this case study for these metrics are based on comparisons with all LGAs in Queensland. Additionally, pokies losses per adult are based on the total adult resident population of each region, not the population of adults who gamble in the region, and does not include tourist population or mobile working populations (for example, seasonal workers). This is the standard way in which pokies losses are reported, as data on the number of adults gambling within each region is not available.

Source: Compiled by the Queensland Audit Office from information provided by the Department of Justice and Attorney-General.

### Lack of data on outcomes makes it difficult to assess effectiveness of gambling help services

The department could enhance its use of outcomes-based performance measures to assess the quality and impact of gambling help services provided to consumers. We found that the performance measures within the service providers’ contracts are focused on outputs, such as the number of counselling hours provided, rather than outcomes. The department receives additional outcomes-based reporting from the service providers; however, collection rates have been low, and data captured inconsistently across different providers. Additionally, while the department reviews the data they submit on a quarterly basis, limitations in the contracts have prevented the department from adequately validating the data provided to ensure it is accurate and complete.

Data and reporting provided by service providers have shown that clients have benefited from the services they received. However, the incomplete and inconsistent data reporting and absence of validation have hindered the department’s ability to effectively measure and demonstrate the effectiveness of its gambling support services.





### Work in progress

From July 2023, the department has implemented new contracts with the service providers that incorporate more outcome-based measures. It also intends to initiate a project in 2023–24 to improve the quality and consistency of data collected and reported across all providers.

### Recommendation 4

We recommend that the department completes its implementation of the recommendations from the 2021 review of gambling help services. This should include:

- tailoring support services to better meet the needs of at-risk groups and make them more accessible
- improving community education initiatives to reach more people at risk of gambling harm
- addressing challenges in accessing non-therapeutic counselling options like financial counselling and peer support
- designing and implementing outcomes-focused performance measures for gambling help services to enable more effective performance monitoring.

## Lengthy and complex processes impede the self-exclusion program

Self-exclusion programs are an essential tool for people struggling with gambling problems. They allow individuals to proactively ban themselves from entering gambling venues, to prevent further harm.

While Queensland has a self-exclusion system, the decentralised and manual nature of the registration process heavily impacts its effectiveness. Queensland residents must visit each gambling venue individually to self-exclude or contact gambling help services, which must then liaise with each venue on behalf of the applicant.

In South Australia, the state government manages a system that allows people to self-exclude from multiple gambling providers through a single application. This system eliminates the need for direct contact with the gambling provider.

### A self-exclusion system is in development, but it will not be overseen by government

The department has been slow to improve the self-exclusion process, despite 2 state-based reviews (in 2014 and 2018) that recommended a more streamlined approach. These reviews included recommendations for:

- a more simplified registration process that is easy to access and understand
- a centralised database that allows people to exclude themselves from multiple venues with a single application
- greater flexibility in the self-exclusion system to accommodate the needs of different individuals
- a focus on minimising barriers to uptake, such as stigma and financial hardship.

Key gambling industry bodies, in consultation with the department, are in the process of developing a centralised system for facilitating exclusions from multiple venues in Queensland. However, the peak gambling industry bodies will oversee this system – a decision that has been met with significant opposition from both community and industry stakeholders. Furthermore, the department does not have a project plan to enable effective oversight of the system's development.



The department conducted a survey as part of the 2018 review, which found that 84 per cent of community and industry groups opposed an industry-led exclusion system. Most stakeholders preferred that the government or gambling help services manage the system. Reasons for this preference included the government's role as the regulator and its commitment to protecting the privacy of those using self-exclusion services. The department stated that it could not develop and oversee such a system due to funding constraints. In the absence of the department developing the self-exclusion system itself, it is important that it effectively collaborates with the relevant industry stakeholders to ensure the timely and successful implementation of the system.

In August 2023, the Australian Government launched BetStop, a national system for exclusion from online gambling activities. It is a free and confidential service that allows people to self-exclude from all Australian-licensed online and phone wagering services in a single step. The nature of online gambling, which is not bound by jurisdictional limits, enabled the Australian Government to lead this national response. However, BetStop does not extend to other forms of gambling, such as pokies and casinos, as the states and territories regulate these services.

## Challenges in monitoring and detecting self-excluded people

Monitoring and detecting people who self-exclude from gambling venues or activities can be complex. The large number of patrons and the variety of gambling platforms make it difficult to ensure consistent oversight. It is also unrealistic to expect venue staff to memorise all excluded people, especially in large venues with high customer traffic. If these challenges are not effectively managed, excluded people could continue to gamble, leading to further harm.

The department encourages gambling venues to explore facial recognition technology as a potential solution for improved monitoring. It states that while this technology should not replace existing measures, it can assist venues in identifying excluded people.

During the audit, the use of facial recognition technology was under trial in selected gambling venues as an initiative in the department's harm minimisation plan. Both the department and the industry stakeholders we spoke with believe that this technology has the potential to enhance the way venues identify and manage excluded individuals.

However, introducing such advanced technology has its challenges. This includes addressing privacy concerns, and ensuring data is used and stored responsibly. The department needs to implement strong policies, procedures, and controls to address any potential issues. Given the sensitive nature of the data and the ethical implications, the department needs to weigh these concerns carefully before promoting wider use of this technology across Queensland.

### Recommendation 5

We recommend that the department works with relevant industry stakeholders to prioritise the development of a centralised self-exclusion system in Queensland. In doing this, it should ensure data- and privacy-related risks are known and effectively managed.



## 5. Regulating the gambling industry

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This chapter is about how the Department of Justice and Attorney-General designs and implements its regulatory strategies to ensure the industry protects consumers and the community from gambling harm.

### Does the department have adequate regulatory powers to reduce gambling harm?

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The department's regulatory powers heavily impact its ability to influence the behaviour and actions of the gambling industry. Some of its key regulatory powers to reduce gambling harm include:

- licensing and regulating gambling operators
- setting limits on the number of pokies and the hours of operation of gambling venues
- imposing harm minimisation requirements on gambling operators, such as providing information to customers about the risks of gambling.

Central to the department's strategy for minimising harm is its regulatory framework, which is one of the pillars of its harm minimisation plan. This framework outlines its goal to be a fit-for-purpose, risk-based, and outcome-focused regulator. A key component of this regulatory approach, specific to gambling harm, is the *Queensland responsible gambling Code of Practice* (the code of practice). The code of practice sets out standards and benchmarks for responsible gambling practices.

#### Our previous reports and recommendations

We regularly conduct audits of regulatory practices. Historically, many of these audits have resulted in similar issues being reported. To address this, in our 2021–22 report on *Regulating animal welfare services* (Report 6: 2021–22), we recommended that all regulators, including the Department of Justice and Attorney-General, self-assess their regulatory activities against a better practice guide we published in Appendix C of that report.

Our regulatory better practice guide is a principles-based model. It provides a summary of good regulatory practices based on 4 key principles: plan, act, report, and learn. In our report *2023 status of Auditor-General's recommendations* (Report 3: 2023–24) we captured the department's self-assessed progress in implementing that recommendation.

The department reported it had been fully implemented. It advised that the Office of Liquor, Gaming and Fair Trading (LGFT), in which gambling regulation sits, complies with the better practices listed in Appendix C of that report. However, our conclusions in this audit indicate that the department's self-assessment could have been more insightful.

#### Voluntary code of practice limits the impact of regulatory compliance

Unlike most Australian jurisdictions, Queensland has no legislated requirement for compliance with a gambling code of practice. This leaves Queensland and Western Australia (which only permits pokies in its casino) as the only Australian jurisdictions that do not mandate compliance. Despite this, the code of practice does offer guidance on better practices for minimising gambling harm.

Without a mandated code of practice, the department's ability to effectively regulate and change behaviours is limited. It is unable to compel gambling operators to adopt the code of practice or impose enforcement actions such as penalties and fines. Without enforcement, gambling operators are not held directly accountable for any breaches of the code of practice.

While it acknowledges these limitations, the department needs to use available mechanisms to do more to educate and influence operators to adopt the code of practice. This includes areas such as licensing, where poor behaviours relating to gambling harm could be considered in determining whether an operator maintains its licence or has conditions imposed. We discuss licensing further in this chapter.



## Efforts to mandate the code of practice have not been prioritised

The department's harm minimisation plan includes a commitment to review the code of practice. This review aims to strengthen and encourage measures for minimising harm within the gambling industry. At the time of the audit, the department was reviewing the code of practice with the aim of legislating it.

Despite the significant impact a voluntary code of practice has on the department's ability to regulate the industry, this review has not been prioritised over other activities. The department commenced the review in June 2022 but paused progress to focus on other deliverables. It has recently recommenced the review and expects to complete it by September 2024. This time frame includes facilitating the necessary legislative amendments.

### Recommendation 6

We recommend that the department prioritises completing its review of the *Queensland responsible gambling Code of Practice* to align with its goal of implementing it as a mandatory requirement in Queensland. This should include:

- updating the code of practice to reflect current better practices and ensure that it promotes a safer gambling industry
- developing an enforcement mechanism that holds gambling operators accountable for breaches of the code of practice.

## Does the department adequately assess and address gambling-related risks?

### Compliance program lacks comprehensive assessment of risks

Regulatory compliance programs should be designed and implemented using a risk-based approach. This helps prioritise regulatory efforts towards those areas where there is higher risk and need.

### Rationale for prioritising regulatory efforts is unclear

The department is responsible for regulating both the gambling and liquor industries. Its annual compliance plans have primarily focused on the liquor industry, with gambling activities receiving less attention. It has not documented the rationale for this preference, and it does not appear to be based on a detailed risk assessment. Accordingly, it is unclear whether the appropriate level of effort is being directed towards each industry.

Within the gambling industry, there is also an absence of adequate risk assessment and a rationale to support a regulatory focus on each gambling type. Given that each gambling type presents unique risks, a comprehensive assessment is essential to ensure that resources are allocated appropriately to address them. To date, gambling venues with pokies have received all the compliance attention, while other forms of gambling, such as online wagering, have been overlooked.

The gambling industry and how people gamble are constantly evolving, especially with technological advancements and the rise of online and mobile gambling. With rapid changes to a regulated product or service, regulators must adapt and address emerging risks. The department advised that its 2023–24 compliance plan incorporates a broader focus across all forms of gambling.

## While the department focuses on venues with pokies, its approach is not adequately informed by risk

The department’s regulatory compliance program includes inspections of licenced venues that deliver gambling services. Venues are typically inspected every 1 to 3 years, primarily dependent on their past compliance.

Beyond instances of non-compliance, the department has not historically applied a well-established, evidence-based system for risk rating gambling operators to help prioritise its compliance efforts more effectively. In 2020, the department delivered a one-off targeted inspection program which helped inform its forward compliance program. Beyond this, it has not adequately used other available factors to inform compliance risk assessments and target compliance activities. Figure 5A shows potential factors that could be considered for informing compliance activities.

**Figure 5A**  
**Potential factors to inform compliance activities**

Potential factor	Considered by the department?
Compliance history	✓
Location and demographics	✗
Socio-economic factors	✗
Type of licence and number of gaming machines	✗
Gambling turnover and losses data	✗

Source: Compiled by the Queensland Audit Office using information from the Department of Justice and Attorney-General.

To effectively mitigate gambling harm, it is important that the department thoroughly assesses the risks associated with all forms of gambling. By integrating data and insights into its compliance program, the department can better allocate resources and protect consumers from the potential harms of gambling.



### Work in progress

In June 2023, the department initiated a project to improve its compliance approach for prioritising and focusing its efforts on higher-risk operators. The project aims to develop a risk-based system for identifying priority gambling operators, considering factors such as those in Figure 5A. The department has advised that this project has informed a more risk-based approach to its 2023–24 compliance plan.

## Considering gambling harm in the issuing of operator licences

Part of the department’s role is to issue licences to gambling operators, which enable them to deliver their services. Since 2020, the department has updated its licensing process to consider imposing additional harm minimisation conditions when assessing gambling-related licence applications. This is an important change, given the perceived conflict in awarding licences to venues who deliver the services which create harm. The department has elected to apply these harm considerations to new or amended licences only.

Figure 5B is a case study highlighting the department’s policy of applying harm minimisation conditions.





## Figure 5B

### Case study 3 – Efforts to reduce gambling harm through licensing

#### Imposing conditions on gambling licences to minimise gambling harm

In May 2020, the department initiated a policy to include conditions regarding minimising gambling harm in applications for gambling-related licences. This measure is designed to regulate the gambling industry in a way that protects the integrity of gaming and reduces the harm gambling causes.

Licence conditions can include requirements such as using facial recognition systems to manage self-excluded individuals and establishing procedures to maintain effective relationships with local gambling help services. The department is only imposing this on new or varied licences, such as increases in pokie machines, additional premises, or extended trading hours. To date, it has elected not to impose this on other existing licences.

Between May 2020 and June 2023, the department approved 354 gambling-related licence applications. Of these, it imposed harm minimisation conditions on 59 applications (17 per cent). The department's compliance activities include monitoring these conditions. However, integrating this monitoring into its risk-based approach could lead to a more unified and effective strategy for mitigating gambling-related harm.

*Source: Compiled by the Queensland Audit Office from information provided by the Department of Justice and Attorney-General.*

#### Recommendation 7

We recommend that the department implements a comprehensive and risk-based approach to assessing and managing gambling-related risks. This should include:

- conducting regular risk assessments of gambling activities and operators, considering factors such as compliance history, location, gambling turnover, and socio-economic factors
- developing a risk-based system for identifying and prioritising high-risk gambling providers
- targeting compliance activities towards high-risk gambling providers and activities
- using data and insights to inform and improve the department's compliance program.

## How effective are regulatory activities in reducing gambling harm?

### Compliance inspections lack detailed assessment of harm minimisation practices

In 2021, the department attempted to enhance its inspections processes by including additional gambling harm-related elements. However, these updates did not fully align with the code of practice. For example, the inspection checklists did not include in-depth analysis of how effective gambling operators' measures were in communicating gambling risks to their customers and identifying and assisting at-risk individuals.

The department's current approach to documenting compliance activities and outcomes also limits its ability to effectively assess harm minimisation practices. It documents inspection activities using checklists that include elements of the code of practice. This limits the ability of inspectors to document detailed outcomes at venues, as the checklist is mainly limited to a simplistic yes/no format. This lack of detailed assessment means the department may not be able to effectively identify and address areas where practices fail to mitigate gambling harm. Additionally, while the department has provided training to inspectors, limited training has been provided specific to the regulation of gambling harm. Enhancing the focus on gambling harm could strengthen their ability to effectively assess harm minimisation practices.

The department has initiated a project to improve its compliance program by integrating harm minimisation aspects more effectively. The project aims to inform this process by identifying harm-related issues and trends from inspections conducted in previous years and by liaising with relevant stakeholders.

## Inadequate education and training on gambling harm provided to industry stakeholders

Education and training are important elements in a regulatory compliance program. They ensure relevant stakeholders understand their obligations with a view to self-compliance. To date, the department's initiatives to educate and train relevant stakeholders, particularly industry workers, about gambling harm have been insufficient.

Despite the critical need for proactive and targeted education, in recent years the department has released only limited guidelines on mitigating gambling harm. The primary method for delivering ongoing education and training is through local gambling help services. However, this approach heavily relies on their available capacity, making it neither sustainable nor reliable for ensuring education is consistently and comprehensively delivered.

The department has outlined its expectations for ongoing industry training and education in the voluntary code of practice, its website, and some guidelines. However, these materials do not provide a comprehensive or mandatory approach to educating and training industry workers. There is a mandatory training requirement focusing on responsible gambling that workers in the gambling industry must complete within 3 months of starting employment. However, unlike most other jurisdictions, Queensland does not require industry workers to renew or refresh this mandatory training.

## Lack of compliance outcome monitoring, oversight, and reporting

Effective regulatory compliance programs monitor program performance and outcomes to embed learnings into future practices. Such programs also maintain transparent communication with stakeholders by regularly reporting on outcomes and the progress of implemented strategies.

The department's regulatory compliance program does not effectively monitor and report on program performance and outcomes. This limits its ability to identify trends, address issues, and improve its regulatory activities.

## Insufficient oversight of regulatory program's performance

The department's regulatory program activities are largely decentralised, with minimal processes in place to monitor overall program activities and outcomes and identify learnings. This has led to a lack of assessment of program outcomes to inform risks, design programs, and determine education and training needs for minimising gambling harm.

Additionally, there is inadequate internal reporting on regulatory performance and impact, particularly regarding harm minimisation activities. This makes it difficult to assess the extent to which gambling operators comply with the code of practice or what impact other regulatory measures have.

## Absence of public reporting on regulatory performance

The department's internal reporting gaps extend to its communications with external stakeholders, such as the public, industry, and community groups. The department last published its annual statistical report in December 2020. This report primarily highlighted outputs, such as total compliance inspections completed. The department stated that it had temporarily paused the publication of these statistical reports due to competing operational demands and the lack of public interest in the report.

The department is developing a new reporting format for external publication. It aims to provide more detailed information on the performance of its regulatory activities through this reporting, rather than just reporting on outputs.

### Recommendation 8

We recommend that the department strengthens its regulatory oversight of the gambling industry to ensure that gambling providers are implementing effective harm minimisation measures. This should include:

- developing and implementing detailed and harm-focused inspection checklists
- providing regular training to compliance officers on harm minimisation and compliance inspections
- regularly monitoring and reporting on the performance of regulatory activities with a focus on harm minimisation outcomes.



## 6. Implementing and monitoring harm minimisation strategies

This chapter is about how the Department of Justice and Attorney-General implements and monitors harm minimisation strategies and programs.

### How effective are the department's governance and monitoring arrangements?

The department developed the harm minimisation plan in collaboration with industry and community groups. While the department leads most of the deliverables, these groups are also responsible for leading some areas, of which the department provides oversight. This delivery model requires strong and effective governance and coordination to support the overall success of the plan.

#### Clarity of roles, responsibilities, and accountabilities needed

The roles, responsibilities, and accountabilities of the stakeholders and governing bodies involved in delivering the harm minimisation plan are not clearly defined.

The department's collaborative approach is designed to ensure all stakeholders act in the best interests of consumers. While acknowledging the intent of this approach, stakeholders have an inherent conflict of interest (perceived or actual). For example, gambling operators, who may benefit financially from higher gambling activities, are responsible for implementing some harm reduction initiatives. This increases the importance of putting in place strong governance, controls, and risk management protocols.

The department was unable to clearly demonstrate how it is overseeing the activities of all stakeholders through the governance and reporting in place. It is essential for the department to implement a well-structured governance framework that clearly outlines the duties, obligations, and accountability of each stakeholder group. This will not only enhance the efficiency of project management and decision-making procedures but facilitate the successful delivery of the harm minimisation plan.

#### Improving governance arrangements to better deliver the plan

The department has been working to enhance governance arrangements to better deliver the harm minimisation plan. This includes revising its governance framework to manage and coordinate the various stakeholders involved more effectively.

The revised governance framework aims to better:

- clarify roles and responsibilities of stakeholders in project planning and delivery
- ensure accountability is transparent and well-defined
- enhance performance through effective planning, ongoing monitoring, and mitigating risks
- establish a process for approving key deliverables and amending scope, budget, and delivery timelines.

#### Inconsistent local network meetings affecting harm reduction efforts

Queensland's Safer Gambling Networks include industry and community stakeholders and aim to address gambling harm, particularly those harms relevant to their regions. They also aim to educate local operators on gambling harm.



However, the frequency and quality of these network meetings vary significantly across the state. For example, in Townsville, Cairns, and Wide Bay, the meetings have not been held in over 3 years. This irregularity represents a missed opportunity to better address gambling-related harm in these regions.

In the past, gambling help services held primary responsibility for overseeing network meetings without direct oversight from the department. Upon reviewing the network meeting processes in 2022, the department identified inconsistencies in approaches across regions. To address these disparities, the department has been working to enhance the consistency, quality, and frequency of these meetings. It was also working with gambling help services to enhance how the networks operate, including establishing processes to better promote events.

## Monitoring and reporting arrangements are not fully effective

Although the department released the harm minimisation plan over 2 years ago, there is still room for improvement in its monitoring and reporting processes. This includes enhancing the monitoring of initiatives being led by industry and community groups, where the department does not have project plans in place. This makes it difficult to track progress, identify and address issues early on, and ensure that the plan is on track to achieve its goals.

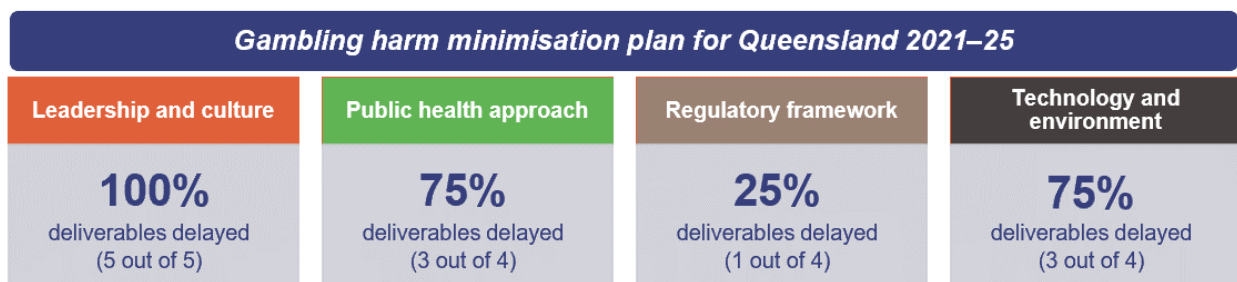
The department developed annual plans for 2021–22 and 2022–23, which detailed specific activities and outputs it would conduct each year in delivering the broader plan. However, neither of these annual plans has been formally endorsed by the department. This lack of oversight and approval could result in deliverables not being implemented as planned.

## Delivery timelines and milestones have been continually revised

At the time of the audit, the department did not have formal processes for changing its annual plans, including in areas such as scope, milestones, and budget. This meant that changes were not adequately controlled, which could lead to delays, cost overruns, or changes to the planned outcomes. The department has sought to improve on this by recently developing more formal processes for changes to annual plans.

Delivery timelines and milestones in the annual plans have continually been revised due to project delays, with some actions delayed by up to 8 months. As shown in Figure 6A, 12 of the 17 key deliverables in the harm minimisation plan (71 per cent) have been delayed. The department is working to implement more structured project management practices, including new reporting templates.

**Figure 6A**  
**Project deliverables delayed**



Source: Compiled by the Queensland Audit Office using information from the Department of Justice and Attorney-General.



## Safer Gambling Advisory Committee not effectively engaged

The department has tasked the Safer Gambling Advisory Committee to provide strategic advice on implementing the harm minimisation plan. The department has also outlined the committee's role in leading and fostering broad stakeholder support for the effective implementation of the plan. However, we found that the committee received only high-level updates on the progress of planned deliverables in its 3 meetings in 2022–23. These meetings had limited in-depth discussions about the overall progress of the plan, existing gaps, and future priorities. Enhancing the engagement with the Safer Gambling Advisory Committee could further strengthen its ability to provide effective strategic advice to the department on delivering the plan.

### Recommendation 9

We recommend that the department strengthens its governance and performance monitoring arrangements for delivering the harm minimisation plan. This should include:

- developing and implementing a clear and comprehensive governance framework that outlines the roles and responsibilities of all stakeholders, accountability mechanisms, project management, and decision-making processes
- managing perceived or actual conflicts of interest among stakeholder groups through robust governance structures and risk management protocols
- establishing effective monitoring and reporting processes to track progress, identify and address issues early on, and ensure that the plan is achieving its objectives
- establishing formal processes for altering the annual plans, such as changes to scope, milestones, and budget.

## How effective are the plans in reducing gambling harm?

The department does not know whether its plans have been effective in reducing gambling harm to date. It has not adequately evaluated them and lacks measurable indicators on some initiatives to support assessments.

The department has developed an evaluation framework detailing how it will assess the effectiveness of the harm minimisation plan against its desired outcomes. These outcomes, as identified within the harm minimisation plan, include:

- safer gambling
- the gambling industry delivering safer products and services
- empowered, protected, and supported consumers and communities
- a contemporary, effective, and trusted regulatory system.

Due to limited monitoring and evaluation activity, the department is not able to determine if work undertaken to date was effective. In assessing its planned approach, we identified several issues in the design of the evaluation framework and the intended approach. These issues could hinder a reliable assessment of the plan's overall effectiveness into the future.

### Evaluation framework lacks clarity and detailed measures

The framework details the high-level desired outcomes of the harm minimisation plan and pillar-level measures. However, it does not clearly specify performance expectations and measures at the individual initiative level or provide detailed information on the data the department should collect for assessment.

The framework also lacks clear alignment from the individual initiative level to the broader plan's outcomes. For example, while the evaluation framework is designed to assess the plan's overall impact, it does not have detailed information and clarity on how to aggregate project-level findings to understand overall outcomes. The performance measures were not set against clear benchmarks or targets, which makes it difficult to measure how well the department is performing against its goals.

The department is drafting a monitoring and evaluation plan to better define how it will assess and evaluate its strategies and programs. This includes specifying performance measures and data sources for informing evaluation activities. The department is also in the process of updating some measures in the evaluation framework, as they were not adequately aligned with the intent of the strategies and programs.

To date, the department has not measured the long-term impact of its strategies and programs. It acknowledged the importance of such evaluations but indicated a lack of adequate funding as a significant constraint.

### Delays in development and missing baseline data hinder performance assessment and evaluation

The department released the harm minimisation plan without detailing how it would be evaluated. While it subsequently developed the evaluation framework, this was not undertaken until late 2022 – 16 months after the plan was released.

Also, it did not obtain baseline data when developing the harm minimisation plan or evaluation framework. Without this, it is difficult to assess the performance of the plan and its individual initiatives. It is still yet to establish baseline positions for most measures in the evaluation framework. This means the department cannot confidently ascertain whether the plan is effectively reducing gambling prevalence and harm in Queensland.

For example, the department's evaluation framework includes measures about the cultural attitude of gambling providers toward proactive activities to minimise harm. The department intended to establish a baseline against which it could measure improvement at individual venues and across the industry. However, without a clearly defined baseline against which to assess performance, the department cannot determine whether gambling providers' attitudes have improved due to its initiatives.

The department aims to use its current prevalence study, as discussed in Chapter 4, to set a baseline for a number of these measures. However, this will come more than 2 years after the release of the harm minimisation plan. The prevalence study, based on a survey of the general population, commenced from March 2023. It covers gambling behaviours over the previous 12 months. This means that it only covers behaviours from approximately March 2022 onward, missing most of the first year after the plan's launch in July 2021. The department acknowledged that the timing of this study was not ideal and attributed this issue to a lack of funding.

The department has stated that it will assess the overall impact of the harm minimisation plan, based on data from the prevalence study. It expects to complete this study in early 2024. The level of gambling-related harm and risk prevalence at a population level will be the primary measure of how much safer gambling is in the state. Once the harm minimisation plan concludes in 2025, the department will require additional funds to conduct a follow-up prevalence study to evaluate the plan; however, it has not yet secured this funding.

#### Recommendation 10

We recommend that the department improves its processes for evaluating the effectiveness of its strategies and their impact on gambling prevalence and harm. This should include:

- developing clear and measurable performance indicators that align with the broader strategy outcomes
- setting clear benchmarks or targets for performance measures to assess how well the department is performing against its goals
- collecting baseline data to assess the performance of its strategies and initiatives
- conducting regular evaluations of its strategies and initiatives, including assessing their impact on changes in behaviour over time.

# Appendices

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# A. Entity responses

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As mandated in Section 64 of the *Auditor-General Act 2009*, the Queensland Audit Office gave a copy of this report with a request for comments to the Department of Justice and Attorney-General.

This appendix contains its detailed responses to our audit recommendations.

The head of the entity is responsible for the accuracy, fairness, and balance of its comments.



# Comments received from Director-General, Department of Justice and Attorney-General



Department of Justice and Attorney-General  
Office of the Director-General

In reply please quote: 537265/7, 6907427, ORP-2287646

Your reference: PRJ03892

19 JAN 2024

Mr Brendan Worrall  
Auditor-General  
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Dear Mr Worrall

Thank you for your email dated 12 December 2023 seeking a formal response to recommendations from the Queensland Audit Office's (QAO) proposed report, *Minimising gambling harm*.

The Department of Justice and Attorney-General (the Department) welcomes the QAO's report and notes the 10 recommendations aimed at protecting consumers and communities from harm, regulating the gambling industry, and implementing and monitoring harm minimisation strategies.

The Department agrees or agrees in-principle to each of those recommendations as detailed in the **enclosed** response.

As outlined, the Department is well-progressed in delivering a range of initiatives for at-risk groups, enhancing our risk-based compliance monitoring regime, reviewing the voluntary *Responsible Gambling Code of Practice*, and strengthening governance arrangements to support the implementation of the *Gambling Harm Plan for Queensland 2021-25*.

Although noting the challenges faced by the Department in delivering a comprehensive response, the report concludes the Department has made progress in recent years. I would like to acknowledge the work of the Department's officers to date and confirm our ongoing commitment to preventing gambling harm.

I thank the QAO for their positive engagement throughout the performance auditing process and look forward to continuing our regulatory efforts, taking into consideration the enhancements recommended in your report.

Should you have any questions please contact [REDACTED]

Yours sincerely



Jasmina Jodic PSM  
Director-General

Enc.

## Responses to recommendations

### Department of Justice and Attorney-General

#### Minimising gambling harm

Response to recommendations provided by Jasmina Joldić PSM, Director-General, Department of Justice and Attorney-General on 19 January 2024.

Recommendation	Agree/Disagree	Timeframe for implementation (Quarter and financial year)	Additional comments
<p>We recommend that the Department of Justice and Attorney-General:</p> <ol style="list-style-type: none"> <li>develops a plan to improve and sustain its understanding of gambling-related harm and its prevalence in Queensland. This should include: <ul style="list-style-type: none"> <li>conducting regular and targeted studies to assess the extent and impact of gambling issues</li> <li>prioritising Queensland specific research to identify key challenges and vulnerabilities.</li> </ul> </li> </ol>	Agree in-principle	<p>Initial research agenda: Q1/2024-25</p> <p>Annual research program: Ongoing</p>	<p>Subject to Government consideration and funding, the Department of Justice and Attorney-General (DJAG) will develop a plan to improve its understanding of gambling related harm and prevalence through regular, local and targeted gambling harm studies and research.</p> <p>This plan will align with existing national and other interjurisdictional research agendas and will seek to prioritise research gaps and build the evidence base for Queensland specific risks and challenges.</p> <p>Planning is already underway for research to be conducted in 2024 into young Queensland First Nations mens' engagement with online gambling to better understand prevalence, harms and potential protective factors. This research project is expected to be completed by Q1 2024-25.</p> <p>DJAG agrees ongoing and regular large scale population level surveys are essential to assessing the impact of gambling harm on the Queensland community. The results of the large-scale 2023 Queensland Gambling Survey (QGS), with a sample size of over 15,000 adults, will assist in the identification and prioritisation of future gambling harm strategies and initiatives. Initial findings of the QGS 2023 report are scheduled for publication in mid-2024. Subject to Government consideration and funding, DJAG proposes to conduct the QGS every three years.</p>
<ol style="list-style-type: none"> <li>comprehensively assess the long-term funding needed to effectively deliver its harm minimisation plans.</li> </ol>	Agree	<p>Initial assessment Q1/2024-25</p> <p>Ongoing assessment to respond to Government priorities</p>	<p>DJAG notes QAO's findings about the growth of gambling revenue over recent years, current funding arrangements, and the comparisons between Queensland and other jurisdictions in relation to investment in gambling harm minimisation.</p> <p>Insufficient funding or inflexible funding models can substantially and negatively impact the ability of a regulator to deliver on its objectives and meet the standards expected by the community.</p> <p>The rapidly evolving, complex and potentially harmful nature of gambling requires oversight by a well-resourced, contemporary regulatory regime which is empowered to design harm minimisation into all aspects of role and activity.</p>

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and financial year)	Additional comments
			DJAG will comprehensively assess longer-term funding needs and seek Government consideration of revised arrangements to enable the regulator, operating efficiently, to effectively deliver initiatives under the GHMP 2021-25 and the Government's broader harm minimisation objectives.



Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and financial year)	Additional comments
<p>3. develops and implements strategies and initiatives aimed at preventing gambling-related harm in Queensland. This should include greater focus on at-risk groups and emerging gambling activities such as wagering.</p>	<p>Agree in-principle</p>	<p>See timeframes for specific strategies and initiatives outlined in 'additional comments'</p>	<p>DJAG agrees a focus on prevention and early intervention is critical to effectively minimising gambling harm under a public health approach. Consistent with the response to recommendation 1 and subject to Government consideration and funding, future strategies and initiatives will be informed by international, national and state level studies and research, stakeholder engagement, lived experience perspectives, horizon scanning, and other relevant information and data sources.</p> <p>A number of strategies and initiatives aimed at at-risk groups and emerging gambling activities are substantially progressed, including:</p> <ul style="list-style-type: none"> <li>the development of a comprehensive set of community education modules (incorporating prevention materials) with handover to Queensland's Gambling Help services by end of Q3 2023-24 for their delivery</li> <li>a partnership with Queensland Cricket to address the normalisation of gambling in sport, which includes the 'Forget the Bet' campaign launched on 7 December 2023</li> <li>the development of education materials for grass roots sporting clubs, expected to be released in Q3 2023-24</li> <li>needs analysis on gambling help services for culturally and linguistically diverse communities has been completed, which is being used to inform the development of targeted initiatives for this at-risk group that will commence early 2024</li> <li>a review of the Queensland Responsible Gambling Code of Practice is currently underway, with a draft code of practice and principles for electronic gaming machine environments, and industry consultation on this draft code, expected to be completed in Q4 2023-24. DJAG will also progress the development of a new safer gambling code of conduct for the wagering industry.</li> </ul> <p>The Commonwealth Government is currently considering the findings and recommendations of the Parliamentary inquiry into online gambling and its impacts on those experiencing gambling harm, released in June 2023.</p> <p>DJAG will continue to work collaboratively with the Commonwealth, and states and territories in delivering nationally consistent reform to online gambling/wagering.</p>



<p>4. completes its implementation of the recommendations from the 2021 review of gambling help services. This should include:</p> <ul style="list-style-type: none"> <li>• tailoring support services to better meet the needs of at-risk groups and make them more accessible</li> <li>• improving community education initiatives to reach more people at risk of gambling harm</li> <li>• addressing challenges in accessing non-therapeutic counselling options like financial counselling and peer support</li> <li>• designing and implementing outcomes-focused performance measures for gambling help services to enable more effective performance monitoring.</li> </ul>	<p>Agree      Q2/2024-25</p>	<p>DJAG has delivered or is well progressed on delivering the majority of responses to findings from the external review that could be implemented within the current funding allocation, including:</p> <ul style="list-style-type: none"> <li>• improved access to peer support through the Gambling Help Online website, which was launched in July 2023</li> <li>• increased flexibility and availability of Gambling Help services through expanded hours of service and embedding virtual counselling as a method of front-line support, which commenced in July 2023</li> <li>• established a First Nations Gambling Harm Steering Group in October 2023 to guide and inform relevant initiatives</li> <li>• improved client counselling and outcome measurement tools developed and trialled by Gambling Help services (Gambling Recovery Star and the Family Impact Star), which are now mandated for use in funded service delivery</li> <li>• provision of funding to the Financial Counsellors' Association of Queensland over a two-year period to increase the number of trained gambling financial counsellors in Queensland, with a target of 20 additional counsellors trained by 30 June 2024</li> <li>• completion of a needs analysis for culturally and linguistically diverse communities in August 2023, with development of targeted initiatives for this at-risk group commencing in early 2024.</li> </ul> <p>The following activities are also being progressed:</p> <ul style="list-style-type: none"> <li>• a First Nations cultural audit of Gambling Help services is expected to be completed in the second half of 2024</li> <li>• development of a screening tool and training for First Nations health workers to identify and support the treatment of gambling harm, which is expected to be delivered in Q4 2023-24</li> <li>• development of a comprehensive suite of community education modules to improve the consistency of Government-funded community education activities through Gambling Help services and to accommodate a diverse range of community cohorts, including at-risk groups such as First Nations and culturally and linguistically diverse communities, with the first roll-out of education modules to occur in Q3 2023-24</li> <li>• a dedicated youth gambling education resource to increase awareness and understanding of the risk and potential harm from gambling and to better equip and empower young people to develop safer gambling behaviours and mitigate</li> </ul>
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Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and financial year)	Additional comments
			<p>their risk of gambling harm will be delivered in second half of 2024</p> <ul style="list-style-type: none"> <li>the first phase of a project to improve the quality and consistency of data supplied by Gambling Help service providers to more effectively monitor service delivery performance and community need will be completed by 30 June 2024. Phase two of the project will further refine data collection activities and will commence 30 June 2024.</li> </ul> <p>DJAG will explore additional options regarding sustainable access to non-therapeutic supports noting that additional enhancements to Queensland Gambling Help services to better service community needs may require Government funding consideration.</p>
<p>5. works with relevant industry stakeholders to prioritise the development of a centralised self-exclusion system in Queensland. In doing this, it should ensure data- and privacy-related risks are known and effectively managed.</p>	<p>Agree</p>	<p>Phase II trial: Q1/2024-25</p> <p>Roll-out: Q3/2024-25</p>	<p>DJAG notes the QAO's comments regarding community concern about an industry-led self-exclusion system, including privacy concerns for those using self-exclusion services, and strong stakeholder preference for a government or gambling help service-managed system.</p> <p>An industry phase II trial of the multi-venue self-exclusion system (developed by Clubs Queensland and the Queensland Hotels Association) is proposed to commence by mid-2024. Legislative amendments to support the roll-out of a centralised self-exclusion system are also being progressed.</p> <p>DJAG will work with industry and other relevant stakeholders, such as the Office of the Information Commissioner Queensland (OIC) to ensure data and privacy risks are identified and managed.</p>





Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and financial year)	Additional comments
<p>6. prioritises completing its review of the <i>Queensland responsible gambling Code of Practice</i> to align with its goal of implementing it as a mandatory requirement in Queensland. This should include:</p> <ul style="list-style-type: none"> <li>• updating the code of practice to reflect current better practices and ensure that it promotes a safer gambling industry</li> <li>• developing an enforcement mechanism that holds gambling operators accountable for breaches of the code of practice.</li> </ul>	Agree in-principle	Q2/2024-25 (code development – EGMs,; wagering and casino operations)	<p>DJAG has already commenced a review of the <i>Responsible Gambling Code of Practice</i>. This review will provide advice to the Queensland Government about modernising the regulatory framework to better control gambling harm risk in contemporary gambling environments, including online environments.</p> <p>Stage 1 of the review involves the development of safer gambling framework principles for all gambling sectors, development of a code of practice for electronic gaming machines in club and hotel environments, and an analysis of potential mandatory requirements for gambling operators. It is anticipated this component of the project will be completed by June 2024.</p> <p>DJAG is also continuing to prioritise codes of practice for the wagering and casino sectors to strengthen consumer protection. The casino code will reflect the specific findings and recommendations of the External Review of the Queensland Operations of the Star Entertainment Group Limited (Gotterson Review).</p> <p>Proposed codes, supported by enforcement mechanisms to holds gambling operators accountable, will be require Government policy consideration and implementation support.</p>

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and financial year)	Additional comments
<p>7. implements a comprehensive and risk-based approach to assessing and managing gambling-related risks. This should include:</p> <ul style="list-style-type: none"> <li>conducting regular risk assessments of gambling activities and operators, considering factors such as compliance history, location, gambling turnover, and socio-economic factors</li> <li>developing a risk-based system for identifying and prioritising high-risk gambling providers</li> <li>targeting compliance activities towards high-risk gambling providers and activities</li> <li>using data and insights to inform and improve the department's compliance program.</li> </ul>	Agree	Q4/ 2023-24	<p>While DJAG has historically adopted a risk based approach to electronic gaming machine (EGM) gambling harm minimisation in hotels and clubs, the approach has relied heavily on compliance history and did not sufficiently consider other relevant risk factors.</p> <p>In September 2023, DJAG commenced prioritisation of higher-risk venues through broader consideration and analysis of risk factors including:</p> <ul style="list-style-type: none"> <li>number of EGMs</li> <li>number of excluded patrons</li> <li>compliance history</li> <li>harm minimisation history</li> <li>Socio-Economic Indexes for Areas (SEIFA) data</li> <li>average daily turnover of EGMs</li> <li>metered win (12 months)</li> <li>number of days since the last DJAG inspection.</li> </ul> <p>As at 4 January 2024, 53 compliance inspections assessing harm minimisation have been undertaken.</p> <p>Mandatory codes of practice (as outlined in recommendation 6) will further strengthen the effectiveness of DJAG's ability to influence gambling operators to better control gambling harm risk.</p> <p>DJAG is developing a proactive program to assess compliance with the principles of the <i>National Consumer Protection Framework</i> by online wagering service providers and will continue to work collaboratively with interstate gambling regulators to target those licensed by other jurisdictions.</p> <p>DJAG is committed to maturing its risk-based approach, noting the criticality of systems to support data and intelligence insights. The extent to which DJAG is able to fully mature its risk-based programs through system capabilities will be dependent on the level of government investment. For example, Liquor and Gaming New South Wales' <i>Pivotal</i> database and transition to a cloud-based online platform is estimated to cost \$400,000 to build with an annual recurring cost of \$350,000.</p>



Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and financial year)	Additional comments
<p>8. strengthens its regulatory oversight of the gambling industry to ensure that gambling providers are implementing effective harm minimisation measures. This should include:</p> <ul style="list-style-type: none"> <li>developing and implementing detailed and harm-focused inspection checklists</li> <li>providing regular training to compliance officers on harm minimisation and compliance inspections</li> <li>regularly monitoring and reporting on the performance of regulatory activities with a focus on harm minimisation outcomes.</li> </ul>	Agree in-principle	Q4/ 2023-24	<p>DJAG's ability to strengthen its regulatory oversight will foremost and primarily be enhanced through the Queensland Government's adoption of mandatory gambling codes of practice (Recommendation 6).</p> <p>In the interim DJAG has revised harm minimisation programs targeted at hotel and club gambling (refer Recommendation 7). This includes enhanced, harm-focussed inspection checklists which form part of a regulatory toolkit to be adapted dependant on the risk posed by the individual operator.</p> <p>Delivery of a comprehensive training program to DJAG compliance officers across the state will commence in January 2024 and is scheduled for finalisation in June 2024. Training will be scheduled and delivered as part of inspector induction and on a regular refresher basis.</p> <p>The <i>Liquor and Gambling Proactive Compliance Plan 2023-24</i> sets out the regulator's proactive priorities including three related to gambling harm minimisation (casinos; electronic gaming machines, and online wagering).</p> <p>Work is underway to publish regular performance reports. Ongoing reports will improve the transparency of the regulator's activity.</p>

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and financial year)	Additional comments
<p>9. strengthens its governance and performance monitoring arrangements for delivering the harm minimisation plan. This should include:</p> <ul style="list-style-type: none"> <li>developing and implementing a clear and comprehensive governance framework that outlines the roles and responsibilities of all stakeholders, accountability mechanisms, project management, and decision-making processes</li> <li>managing perceived or actual conflicts of interest among stakeholder groups through robust governance structures and risk management protocols</li> <li>establishing effective monitoring and reporting processes to track progress, identify and address issues early on, and ensure that the plan is achieving its objectives</li> <li>establishing formal processes for altering the annual plans, such as changes to scope, milestones, and budget</li> </ul>	Agree	Q3/2023-24	<p>In 2023, DJAG instigated a number of improvements to governance and monitoring arrangements for the Gambling Harm Minimisation Plan (GHM Plan), particularly as they relate to the role of the external stakeholder group - the Safer Gambling Advisory Committee (SGAC). The revised and improved framework clarifies roles and responsibilities in planning and delivery, reporting structures and provides for a formal decision-making process, including for establishing and amending scope, budget, and delivery timeframes for approved initiatives.</p> <p>Additionally, a mandatory code of conduct for SGAC members was developed in 2023, which includes specific requirements relating to managing perceived or actual conflicts of interest. In November 2023, SGAC members received training about the SGAC code of conduct and their associated obligations, as well as public sector ethics (as public officials of a public sector entity).</p> <p>New reporting processes have also been instigated to ensure more effective monitoring and tracking of progress and identification of barriers to successful project completion. Issues associated with conflict of interest and risk management protocols are subject to further consideration.</p> <p>In developing and implementing the GHM Plan, DJAG has adopted a delivery through partnerships model (government, industry and community), with this approach presenting a challenge to traditional public sector paradigms, structures, practices and accountabilities. Learnings will inform future approaches to enhance DJAG's governance arrangements.</p>



Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and financial year)	Additional comments
<p>10. improves its processes for evaluating the effectiveness of its strategies and their impact on gambling prevalence and harm. This should include:</p> <ul style="list-style-type: none"> <li>developing clear and measurable performance indicators that align with the broader strategy outcomes</li> <li>setting clear benchmarks or targets for performance measures to assess how well the department is performing against its goals</li> <li>collecting baseline data to assess the performance of its strategies and initiatives</li> <li>conducting regular evaluations of its strategies and initiatives, including assessing their impact on changes in behaviour over time.</li> </ul>	Agree	<p>Enhancements completed</p> <p>External evaluation Q3 2023-24</p>	<p>In 2022, DJAG engaged an external contractor to develop a comprehensive evaluation framework for the GHM Plan.</p> <p>Building on this framework, DJAG has instigated a number of enhancements to improve the process for evaluating the GHM Plan, including establishing a clear theory of change, program logic and specific measures for each project that ensures alignment with the broader outcomes of the GHM Plan.</p> <p>DJAG has also established a monitoring and evaluation plan for each project to support a future assessment of the project's effectiveness and its contribution toward outcomes. This will be further informed through an interim evaluation of the GHM Plan by an independent external program evaluator.</p> <p>The collection of baseline data for a number of initiatives under the GHM Plan (and broader overarching objectives) has been affected by funding constraints, however, the 2023 Queensland Gambling Survey was conducted (with data collection completed and a report due by the end of Q4 2023-24).</p> <p>Additional funding will be required to conduct additional pre- and post-intervention studies, behaviour change assessments and for overarching periodic time series population studies (and specific cohorts/regions) to assess the effectiveness of the framework/specific initiatives.</p> <p>Consistent with the evaluation framework developed for the GHM Plan, DJAG will undertake an interim evaluation and final evaluation of the GHM Plan. Through the collection of outcomes data on key initiatives, DJAG will be able to monitor and track the ongoing effectiveness of these initiatives as a basis for adjusting future delivery, where required.</p>

## B. Audit scope and methods

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### Performance engagement

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This audit has been performed in accordance with the *Auditor-General Auditing Standards*, incorporating, where relevant, the standards on assurance engagements issued by the Auditing and Assurance Standards Board. This includes the Standard on Assurance Engagements ASAE 3500 *Performance Engagements*. This standard establishes mandatory requirements, and provides explanatory guidance, for undertaking and reporting on performance engagements.

The conclusions in our report provide reasonable assurance that we have achieved the objectives of our audit. Our objectives and criteria are set out below.

### The entity we audited

The entity subject to this audit is the Department of Justice and Attorney-General. It is responsible for leading the government's response to gambling harm through various measures, including the *Gambling harm minimisation plan for Queensland 2021–25*.

### Audit methods and approach

#### Field visits and interviews

We conducted interviews with a diverse range of stakeholders from across the gambling sector, including regional areas of Queensland. This included, but was not limited to:

- Department of Justice and Attorney-General
- Queensland Treasury, including the Queensland Government Statistician's Office
- Department of Treaty, Aboriginal and Torres Strait Islander Partnerships, Communities and the Arts (formerly Department of Communities, Housing and Digital Economy)
- Office of the Information Commissioner
- Safer Gambling Advisory Committee members (formerly Responsible Gambling Advisory Committee)
- gambling help service providers
- gambling industry peak bodies.

#### Document review

We obtained and reviewed relevant documents from the entities involved in the audit. This included legislation, strategic plans, annual plans, guidelines, correspondence, performance reports, reviews, and evaluations. We also considered research from other jurisdictions and academia.

#### Data analysis

We analysed a range of data from the Department of Justice and Attorney-General, including:

- gambling turnover and losses
- funding for minimising gambling harm
- compliance inspections
- utilisation of gambling help services.



We validated our data methods and analysis progressively with the department.

## Subject matter experts

We engaged a subject matter expert to provide insights about the gambling environment, including key issues and risks. This expert offered advice and validated facts and concepts related to specific aspects of the audit.

## Audit objective and scope

The objective of the audit was to assess the effectiveness of Queensland’s strategies to prevent and minimise gambling-related harm.

This primarily included examining strategies and programs the department delivers under the harm minimisation plan. We focused on the design, delivery, and overall outcomes of these strategies and programs.

The audit addressed the objective through the following sub-objectives and criteria.

### Sub-objective 1: Are Queensland’s strategies for preventing and minimising gambling-related harm effectively designed, appropriately targeted and outcome-focused?

Criteria 1.1	The department has developed a detailed understanding of the gambling-related issues and needs of the Queensland community.
Criteria 1.2	The department has designed effectively targeted and evidence-based strategies to prevent and minimise gambling-related harm.
Criteria 1.3	The department has developed appropriate performance measures and targets and identified desired outcomes for its strategies.

### Sub-objective 2: Is the department effectively preventing and minimising gambling-related harm?

Criteria 2.1	The department has been implementing initiatives and plans in line with its strategies to prevent and minimise gambling-related harm.
Criteria 2.2	The department monitors and reports on how its strategies are performing.
Criteria 2.3	The department evaluates the effectiveness of its strategies and their impact, and adjusts its strategies where relevant to support achievement of objectives.

## Scope exclusions

Our audit did not assess:

- the activities of Racing Queensland, given the relative size and risk of race meeting gambling compared to other forms of gambling
- online gambling and gambling-related advertising activities that are controlled by other jurisdictions.





## C. Pokies in Queensland regions

Figure C1 shows the number of pokies and player losses by Queensland region in 2022–23.

**Figure C1**  
**Number of pokies and player losses by Queensland region – 2022–23**

Region	Total pokies losses (\$ mil.)	Pokies losses per adult (\$)	Median weekly household income (\$)	Number of pokies operating	Pokies per 10,000 adults
Brisbane–East	133	702	1,890	1,813	96
Brisbane–North	140	779	1,951	1,494	83
Brisbane–South	226	770	2,022	2,191	75
Brisbane–West	52	359	2,316	768	53
Brisbane Inner City	131	526	2,155	1,649	66
Cairns	196	980	1,445	2,593	130
Central Queensland	161	921	1,626	2,211	127
Darling Downs–Maranoa	65	650	1,280	1,161	116
Far North	18	771	1,365	224	96
Gold Coast	447	864	1,692	5,350	103
Ipswich	242	861	1,615	2,343	83
Logan–Beaudesert	232	853	1,593	2,105	77
Mackay–Isaac–Whitsunday	158	1,112	1,843	2,250	158
Moreton Bay–North	183	856	1,383	2,100	98
Moreton Bay–South	111	671	2,017	1,148	69
Outback–North	42	1,878	2,006	538	240
Outback–South	9	647	1,344	205	151
Sunshine Coast	231	708	1,574	3,466	106
Toowoomba	97	772	1,502	1,445	115
Townsville	153	837	1,621	2,040	111
Wide Bay	214	845	1,096	3,030	120
<b>Queensland</b>	<b>3,242</b>	<b>796</b>	<b>1,675</b>	<b>40,124</b>	<b>99</b>

Note: The losses from pokies per adult are based on the total adult resident population of each region, not the population of adults who gamble in the region, and does not include tourist population or mobile working populations (for example, seasonal workers). This is the standard way in which pokies losses are reported, as data on the number of adults gambling within each region is not available.

Source: Compiled by the Queensland Audit Office using information from the Department of Justice and Attorney-General and the Australian Bureau of Statistics.





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