Gaming Machine Harm Minimisation Measures
Consultation Paper
Office of Liquor, Gaming and Racing
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Introduction

On 7 August 2015, the Victorian Government announced that it was undertaking a review of the regulatory arrangements for gaming machines to enable the government to make decisions on future arrangements before the gaming machine entitlements expire in 2022 (the Gaming Machine Arrangements Review).

The government also committed to examine existing harm minimisation measures that apply to gaming machines alongside the Gaming Machine Arrangements Review to ensure those measures are appropriate now and post-2022 having regard to emerging research and industry developments.

The work is being undertaken by the Department of Justice and Regulation (the department) which will report to the Minister for Consumer Affairs, Gaming and Liquor Regulation (the Minister).

Document purpose

This consultation paper is seeking industry and community views on the harm minimisation issues outlined in this paper.

The government is considering whether the state’s harm minimisation measures for gaming machines in hotels and clubs are appropriate in light of:

- the introduction of the state-wide pre-commitment system, YourPlay
- the impact of the prohibition on ATMs in gaming venues, including the impact on the use of EFTPOS
- industry’s introduction of gaming-related loyalty programs and ticket-in, ticket-out systems (TITO)
- the operation of regional and municipal limits under the venue operator model
- the new course content and delivery arrangements for mandatory training for gaming venue staff on responsible service of gaming, and how staff intervene when a person is displaying behaviour that may be associated with a person having a problem with their gambling.

The consultation paper seeks feedback on:

a) access to cash in gaming venues
b) cashless gaming and TITO
c) Responsible Gambling Codes of Conduct
d) self-exclusion programs
e) responsible service of gaming training
f) regional and municipal limits on gaming machine numbers.

Feedback from this consultation paper will be used to assist the department to make recommendations to the Minister regarding existing and future harm minimisation measures for gaming machines. The government will consider whether these harm minimisation measures are appropriate and effective to ensure the responsible service of gambling and helping Victorians to gamble responsibly.

Submissions

Interested persons and organisations are encouraged to make a submission on all or any matters raised in this consultation paper.

A response form is available on the department’s website to assist you to prepare a submission. The form may be found at myviews.justice.vic.gov.au or click on this link to access the submission form https://myviews.justice.vic.gov.au/gaming-machine-harm-minimisation-measures

The preferred method of submitting your response is online via the department’s website.

If you have any queries about this process please email the following address with the subject heading – Harm Minimisation Consultation Paper.
Email: liquorgamingandracingenquiries@justice.vic.gov.au
Submissions must be received by 5pm, Monday 16 January 2017.

**Publication of submissions**

All submissions will be published on the department's website.

You should therefore ensure that your submission does not include confidential, commercial-in-confidence or personal information. The department reserves the right to not publish information that could be seen to be defamatory, discriminatory or unrelated to the review.
## Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>ATM</td>
<td>Automatic teller machine</td>
</tr>
<tr>
<td>EFT</td>
<td>Electronic funds transfer</td>
</tr>
<tr>
<td>EFTPOS</td>
<td>Electronic Funds Transfer at Point of Sale</td>
</tr>
<tr>
<td>RGMAC</td>
<td>Responsible Gambling Ministerial Advisory Council</td>
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<tr>
<td>RSG</td>
<td>Responsible Service of Gaming</td>
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<tr>
<td>TITO</td>
<td>Ticket-in, ticket-out</td>
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<tr>
<td>VCGLR</td>
<td>Victorian Commission for Gambling and Liquor Regulation</td>
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<tr>
<td>VRGF</td>
<td>Victorian Responsible Gambling Foundation</td>
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## Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Description</th>
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<tbody>
<tr>
<td>Act</td>
<td><em>Gambling Regulation Act 2003</em></td>
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1 BACKGROUND

1.1 Regulation of gambling to minimise harm

For the majority of Victorians gambling is a legitimate and enjoyable recreational activity, in which they can participate without causing harm to themselves or others. However, gambling can have catastrophic consequences for some people and the government recognises the need to do more to reduce gambling-related harm as set out in the government’s 2014 election commitment.

The government is committed to developing policies that strike the right balance between minimising the harm caused by problem gambling and allowing those who can gamble safely to do so.

The Victorian Responsible Gambling Foundation (VRGF) works to reduce gambling-related harm and foster responsible gambling. The government has provided funding of $148 million over four years to the VRGF and has expanded its functions to include an advocacy and policy role.

YourPlay, a state-wide voluntary pre-commitment scheme, commenced operation on all gaming machines on 1 December 2015. YourPlay empowers players to make informed decisions about their gaming machine play by enabling them to set limits on the amount of time or money they spend and to track their play across all gaming venues in Victoria, including the Melbourne casino. The government has commissioned an independent evaluation of the implementation and effectiveness of YourPlay.

Central to reducing problem gambling-related harm, is evidence-based policy developed in consultation with stakeholders. The government has re-invigorated the Responsible Gambling Ministerial Advisory Council to ensure greater representation from a more diverse range of community groups. The Council is the pre-eminent source of stakeholder advice to government on responsible gambling. Issues considered this year by the Council included the proliferation of sports betting advertising and ways to improve community consultation on the placement of gaming machines.

Following on from the Council’s report on betting advertising, the government has conducted a public consultation to seek feedback on policy proposals to limit the proliferation of advertising by wagering service providers by prohibiting the display of static betting advertisements on public transport infrastructure and within a certain distance of a school. This is intended to address community concerns about the display of betting advertising in places that are difficult to avoid as part of daily-to-day activities and its impacts on vulnerable groups such as problem and at-risk gamblers, children and adolescents. It also aims to reduce the association between sports and betting among vulnerable groups such as problem and at-risk gamblers, children and adolescents.

The government is also considering the work done by the Council around community consultation on how the placement of gaming machines can be improved.

The purpose of this paper is to contribute to the government’s efforts to foster responsible gambling and minimise harm from problem gambling by focusing on a range of measures that apply to the operation of gaming machines in the hotel and club sector. It is appropriate that this consultation occur now while the regulatory arrangements that will apply to the operation of gaming machines in clubs and hotels from 2022 is being determined.

1.2 Historical context

The Gambling Regulation Act 2003 (the Act) provides that the conduct of gaming on gaming machines is illegal unless conducted in an approved venue or casino in accordance with Chapter 3 of the Act.

When gaming machines were first introduced in Victoria in 1992, the regulatory framework was focused on ensuring fairness and integrity and keeping the gaming industry free from criminal influence and exploitation.

By 2000, following the rapid growth in gaming machine numbers in Victoria, government and the community turned their focus to the harms caused by problem gambling and its costs to the Victorian community.

Since then, a range of responsible gambling and harm minimisation measures have been implemented in Victoria including:

- regional caps on gaming machine numbers in areas vulnerable to gambling harm
• municipal limits on the number of gaming machines in local government areas not subject to a regional cap
• restrictions on 24-hour gaming
• requirements for gaming machines to provide information to players, such as the odds of winning
• Automatic teller machines (ATMs) and Electronic Funds Transfer at Point of Sale (EFTPOS) withdrawal limits followed by a prohibition on ATMs and alternative cash access facilities in gaming venues
• requirements for large winnings to be paid by cheque
• limits on note acceptors, auto play facilities and spin rates
• maximum bet limits for gaming machines
• a prohibition on gaming machine advertising outside gaming machine areas
• limitations on the display of gaming machine signage
• a requirement for responsible gambling information to be displayed in every gaming venue
• mandatory Responsible Gambling Codes of Conduct
• self-exclusion programs
• bans on moneyless gaming machines and the use of earphones on gaming machines
• establishment of the Victorian Responsible Gambling Foundation (VRGF) to work to reduce the prevalence of problem gambling, the severity of harm related to gambling and to foster responsible gambling
• YourPlay, a state-wide networked pre-commitment scheme for gaming machines that enables players to set limits and keep track of the money and time they spend on gaming machines, giving players greater control over their gambling to avoid it escalating to problem gambling.

1.3 Regulatory context
The Act authorises licensed venue operators who hold gaming machine entitlements to conduct gaming at approved premises.
Each entitlement has a 10-year term from 16 August 2012 to 15 August 2022.
The objectives of the Act are to:
• foster responsible gambling in order to minimise harm caused by problem gambling and accommodate those who gamble without harming themselves or others
• ensure that minors are neither encouraged to gamble nor allowed to do so
• ensure that gambling is conducted honestly, fairly and free from criminal influence
• ensure that minor gaming is conducted for the benefit of community or charitable organisations and to ensure that public confidence in such gaming is maintained
• promote tourism, employment and economic activity generally in Victoria.
The principal regulations made under the Act are the Gambling Regulations 2015, which provide detailed regulations for the different forms of gambling, including on gaming machines.
The core technical requirements for the design of gaming machines and gaming machine games are set out in the Australian/New Zealand Gaming Machine National Standard (Version 10.0). Additional and amended requirements of the Standard that relate specifically to Victoria are set out in the Victorian Appendix to the Australian/New Zealand Gaming Machine Standard (Version 10.0).

1.3.1 Victorian Commission for Gambling and Liquor Regulation
Under the Act, the Victorian Commission for Gambling and Liquor Regulation (VCGLR) is responsible for both gambling and liquor regulation including licensing and compliance.
1.4 Industry snapshot

As at 30 June 2016, there were 26,330 gaming machines operating in approximately 500 Victorian clubs and hotels.

Victoria has a density of 5.71 gaming machines per 1,000 adults in clubs and hotels, the lowest density of all states and territories, except Western Australia where there are no gaming machines outside of the casino (based on data from Australian Gambling Statistics 32nd edition 2014-15, August 2016).

1.5 Gaming machine expenditure

The gaming machine industry in Victoria is mature, with a real decline in net gaming machine expenditure (total gaming machine turnover less amounts returned to players) occurring over the last 10 years.

The graph below shows net gaming machine expenditure since 2006-07 in nominal and real terms (in 2015-16 prices).

During this period, a significant decrease in net gaming machine expenditure occurred in 2009-10, (attributed to the Global Financial Crisis) and in 2012-13, due to the removal of ATMs from gaming venues in July 2012 (Thomas et al. 2013).

*Figure 1: Nominal and real net gaming machine expenditure in 2015-16 prices

SOURCE: Department of Justice and Regulation

During the same period, gaming machine expenditure as a proportion of household final consumption expenditure also declined from 1.64 per cent in 2006-07 to 1.14 per cent in 2014-15.
Figure 2: Gaming Machine Expenditure as proportion of Victorian Household Final Consumption Expenditure

SOURCE: Department of Justice and Regulation

*Household final consumption expenditure (HFCE) measures current expenditure by households and non-profit institutions serving households. It consists of expenditure by households on individual consumption goods and services. Refer to ABS link for further details about this measure: ABS HFCE

1.6 Participation in gaming machine play

The proportion of Victorians playing gaming machines has declined significantly since 2003. This may reflect a maturing market or increased competition from other gambling products.

This decline in participation has been observed in other jurisdictions, including South Australia, New South Wales and New Zealand.

The table below shows the proportion of Victorian adults who play gaming machines.

Table 1: Proportion of Victorian adults who play gaming machines

<table>
<thead>
<tr>
<th>Year</th>
<th>Participation rate (% of adult population)</th>
<th>Percentage change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>33.5</td>
<td>—</td>
</tr>
<tr>
<td>2008</td>
<td>21.5</td>
<td>-35.9</td>
</tr>
<tr>
<td>2014</td>
<td>15.2*</td>
<td>-29.1</td>
</tr>
</tbody>
</table>

*Note 2014 sample combined for the first time mobile and landline respondents, but for accuracy of comparison in this table the landline only sample is used.

1.7 Problem gambling

While most people gamble as a recreational activity, some people develop gambling problems, which can result in substantial personal, social and economic costs.

A definition of problem gambling that is used by all Australian jurisdictions is as follows:

Problem gambling is characterised by difficulties in limiting time and or money spent on gambling which leads to adverse consequences for the gambler, others or for the community (Neal, Delfabbro and O’Neil 2005).

People who have a problem with gambling can lose significant amounts of money, which can create hardship for themselves and their families. The presence of depression, anxiety and poor physical health in problem gamblers is at statistically significant higher levels than the general adult population (Schottler Consulting 2015). However, this does not imply a causal link between these factors.
The most recent survey in Victoria indicates that the prevalence of problem gambling is 0.81 per cent of the Victorian adult population (an estimated 35,563 Victorian adults) (Schottler Consulting 2015).

Previous surveys undertaken by Schottler Consulting (2009; 2015) in 2008 and 2014 indicate that the proportion of Victorian adults playing gaming machines is declining, but that problem gamblers are playing gaming machines more frequently and, for most, playing gaming machines is still the gambling activity on which they spend the most money.

In 2014, 50.64 per cent of problem gamblers reported that playing gaming machines was their highest gambling spend activity compared to 64.14 per cent of problem gamblers in 2008. However, the number of times that problem gamblers played gaming machines increased from 56 times per year in 2008 to 88 times per year in 2014. During the same period, moderate risk gamblers reported playing gaming machines more frequently, from 23 times per year in 2008 to 86 times per year in 2014 (Schottler Consulting 2015).

2 HARM MINIMISATION MEASURES

As set out in section 1, there is a range of harm minimisation measures that apply to the operation of gaming machines. These are designed to encourage responsible gambling and protect consumers from harm caused by playing gaming machines.

2.1 Access to cash in gaming venues

Limiting access to cash in gaming venues can be an effective tool for helping gamblers limit their gambling expenditure while also providing a ‘break in play’. By leaving a gaming venue to access cash, a person is given a chance to reflect and consider whether they wish to continue gambling.

A 2013 evaluation by Swinburne University of the removal of ATMs from gaming venues in 2012, found that reducing access to cash led to increased control over gaming machine spending, a reduction in impulsive over-spending and was effective in reducing the amount of money spent by problem gamblers (Thomas et al 2013).

Research indicates that problem gamblers are more likely to access cash while at a venue than other gamblers. Research conducted prior to the removal of ATMs showed that 95 per cent of problem gamblers accessed cash through ATMs, EFTPOS facilities or credit cards during a gambling session compared to only 8.5 per cent of non-problem gamblers (Schottler Consulting 2009).

Following implementation of the ATM prohibition, there was a seven per cent decline in net gaming machine expenditure across the state (Thomas et al 2013).

2.1.1 EFTPOS

The use of EFTPOS facilities in gaming venues is permitted subject to restrictions imposed by the Act and rules made by the VCGLR. Venue operators must ensure that:

- no more than $200 can be withdrawn per transaction
- cash advances cannot be made using a credit account
- EFTPOS facilities are not accessible by a person in the gaming machine area for the purpose of withdrawing cash
- staff interaction occurs before a decision to withdraw cash is made by a patron.

There is no daily withdrawal limit or limit on the number of times per day a patron can withdraw cash via EFTPOS in a gaming venue. Some people may have a daily limit set by their financial institution.

In contrast to ATMs, EFTPOS transactions involve face-to-face interaction with venue staff. As noted by the Productivity Commission Inquiry Report into Gambling in 2010:

EFTPOS transactions, which by their nature are face-to-face could potentially deter higher risk gamblers. Multiple use of EFTPOS facilities would provide venue staff with an indicator of the likelihood that the patron is a problem gambler and thus present an opportunity to intervene (Productivity Commission 2010).

The evaluation of the ATM prohibition found that there was increased use of EFTPOS following the removal of ATMs, although higher-risk gamblers used EFTPOS less than they previously used ATMs (Thomas et al 2013).
Findings from the Victorian Prevalence Study 2014 found that accessing cash during a gambling session was associated with problem gambling risk and that problem gamblers and moderate risk gamblers reported accessing EFTPOS significantly more times when gambling than non-problem gamblers. Problem and moderate risk gamblers also withdrew more money per gambling session compared to non-problem gamblers, with problem gamblers more likely to make an EFTPOS withdrawal four times or more per session (Schottler 2015).

Both qualitative and quantitative data in the Thomas evaluation suggest that EFTPOS withdrawals were fewer and smaller than previous ATM withdrawals because EFTPOS was inconvenient and people did not like their withdrawals being observed, particularly higher-risk gamblers. The report also noted that improved staff training around the link between multiple cash withdrawals from cash facilities and gambling problems, including targeting training of staff in identification of problem gambling and ways to approach patrons, could increase the effectiveness of this harm reduction measure for higher risk gamblers. (Thomas et al 2013).

The only jurisdiction that imposes a daily withdrawal limit on EFTPOS is Tasmania with a daily withdrawal limit of $200 per card.

**QUESTION**

- Is the current $200 per EFTPOS transaction limit appropriate? If not, what other regulatory measures would support the objectives of the Act?

### 2.1.2 Payment of winnings by cheque

The Act provides that if a person has $1,000 or more worth of credits on a gaming machine, these credits must be paid out by a cheque that is not payable to cash. The Act also provides that a venue operator must pay out any accumulated credits by cheque upon request.

The requirement to pay large winnings by cheque aims to reduce the incidence of people using those winnings to continue to gamble.

Anecdotally, it is reported that some people avoid having winnings paid by cheque by ‘playing down’ large wins to below the $1,000 threshold.

Venue operators have indicated that they incur administrative and staffing costs in complying with the requirement to issue cheques. An alternative that would reduce administrative costs for venue operators is to permit payment of winnings by Electronic Funds Transfer (EFT). This would be similar to obtaining a refund directly to a debit or credit card at a retail store, where the transaction is processed directly through the EFTPOS terminal. The transaction could include a delay to ensure that winnings are not immediately accessible by players.

The benefit of EFT payments is that it provides delayed availability of cash due to the time it takes banks to process EFT payments, but at a lower cost to the venue operator than payments by cheque. Payments by cheque are also declining in Australia with the rise of electronic payment methods.

All other Australian states and territories with gaming machines in hotels and clubs have mandatory requirements for payment of winnings by cheque. The limits currently range from $1,000 in Tasmania, South Australia and Victoria to $5,000 in New South Wales.

The Australian Capital Territory and New South Wales provide players with the option of being paid their accumulated credits via EFT rather than cheque, if requested by the player and if available at the venue.

**QUESTIONS**

- Is the current $1,000 threshold for the payment of winnings by cheque appropriate? If not, what should be the limit and why?
- Should payment by EFT be permitted in addition to, or as a replacement for, payment by cheque?
- Are there other payment methods that should be considered for the payment of credits / winnings?
2.1.3 **Cheque cashing**

**Venue operators cashing personal cheques**

The Act permits venue operators to cash a personal cheque up to a maximum value of $400. However, a venue operator must not exchange more than one cheque for cash for any person within a period of 24 hours.

Many venue operators have committed to not cash personal cheques as part of their Responsible Gambling Code of Conduct.

There is limited research on the effect of restrictions on personal cheque cashing. However, a study undertaken for Gambling Research Australia (Delfabbro et al 2007), found that moderate risk and problem gamblers were more likely to use cheque cashing facilities to access cash than other gamblers, with problem gamblers 2.6 times more likely than other gamblers to try to cash cheques at venues.

**QUESTION**

- Should venue operators be able to exchange personal cheques for cash?

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2.2 **Cashless gaming and TITO**

TITO (ticket-in, ticket-out) is a ticketing system used on gaming machines that enables play without the use of cash.

A TITO system enables a ticket to be inserted into a gaming machine to register credits on that machine (ticket-in). It also enables gaming machines to pay out credits in the form of a printed ticket (ticket-out) that can then be inserted into another TITO-enabled gaming machine to continue gambling, or be redeemed for cash at a cash redemption machine or from a cashier.

There are other cashless gaming products in Australia that allow gaming machines to be played without cash; for example, cashless systems that allow a card to be inserted into a gaming machine to transfer stored value or credits. These systems are not currently operating in hotel and club gaming venues in Victoria, but operate in other states with restrictions on the amount that can be stored on cards and or tickets. Some venue operators in Victoria are considering introducing these systems.

The Productivity Commission considered cashless gaming in its 2010 gambling report and noted that cashless gaming could have both advantages and disadvantages for consumers as cashless gaming allows gamblers to easily withdraw any cash balances on the machine and reduces the temptation by gamblers to continue playing to exhaust those balances.

However, cashless gaming may disguise the fact that people are spending ‘real’ money. Cashless systems may reinforce anonymous, intense and uninterrupted play (Productivity Commission 2010).

TITO and cashless systems may have advantages for venue operators including increased security from the reduction in the movement of cash within a venue and streamlined accounting procedures as a result of reduced cash handling.

There are existing harm minimisation measures that relate to limiting access to cash, encouraging staff interaction with patrons and encouraging breaks in gaming machine play. To the extent that TITO and cashless systems could undermine these measures, it may be appropriate that additional harm minimisation measures are put in place.

**QUESTION**

- If cashless gaming and or TITO is introduced, how should they be regulated so that they are consistent with other measures that limit access to cash? What harm minimisation measures should apply?
2.3 Responsible Gambling Codes of Conduct

The Act requires gambling industry participants, including venue operators, to have a Responsible Gambling Code of Conduct (code) that demonstrates a commitment to fostering responsible gambling.

The matters that must be included in a code are prescribed by the Minister in a Ministerial Direction. A copy of the Ministerial Direction can be accessed here: codes of conduct.

**Code content**

Under the Ministerial Direction venue operators must address the following matters in their code:

- availability of code
- responsible gambling message
- responsible gambling information
- gambling product information
- customer loyalty scheme information
- pre-commitment strategy
- interaction with customers
- interaction with staff
- interaction with problem gambling support services
- customer complaints
- compliance with the prohibition on gambling by minors
- the gambling environment
- financial transactions
- responsible advertising and promotions.

All codes must be approved by the VCGLR and ten codes have been approved for venue operators to adopt. These codes have been developed by third party service providers and or industry peak bodies and can be viewed at: approved codes of conduct.

Codes are intended to encourage venue operators to be proactive about responsible gambling in their venues and to adopt measures above the minimum regulatory requirements.

Whether the codes result in venue operators adopting higher standards or whether a more prescriptive approach might achieve improved harm minimisation is worth considering.

**Staff interaction with customers**

All venue operator codes are required to address how staff will interact with customers who may be showing signs of having a problem with gambling. Most codes require staff to interact with the customer or seek the assistance of the team member nominated as the responsible gambling officer. Staff are trained to undertake this role and a new responsible service of gaming training program has been developed to further enhance this training.

A 2010 research report, *Assisting problem gamblers in South Australian gaming venues* (Hing et al 2010), examined the effectiveness of staff interventions. The research found that there were many barriers to staff intervening proactively, including lack of confidence and training re intervening and uncertainty about how a person would react.

The Victorian Government has committed to introduce penalties for venue operators who fail to respond to suspected problem gambling. Venues could be encouraged to supplement this section of their code by clearly articulating how they will encourage, support and train their staff to perform this role and strengthen their commitment to interacting with customers. Failure to comply with these measures and respond to suspected problem gambling would be a breach of their code.
Compliance

It is the venue operator’s responsibility to comply with its code and repeated breaches of a code may result in disciplinary action being taken against them by the VCGLR. This can include a fine not exceeding an amount equivalent to 5,000 penalty units ($777,300 from 1 July 2016) or suspension or cancellation of the venue operator’s licence.

Annual review of codes

A code must set out a review process outlining how the venue operator will assess the operation and effectiveness of their code each year. These annual reviews usually involve a survey of venue staff and customers and some venue operators argue that this imposes a significant burden.

The VCGLR provides an annual report to the Minister on the effectiveness of the codes, the level of compliance and any disciplinary action taken because of repeated breaches of a code.

QUESTIONS

- What opportunities are there to improve the way codes operate in Victoria?
  - Are there other models that would be more effective? If so, what are they?
  - Would a more prescriptive approach for all venue operators be better? Could the operation of codes be simplified?
  - Are there other matters that should be provided for in the Ministerial Direction for codes?
  - What requirements for loyalty schemes should be included in a code to promote responsible gambling?
  - Does the annual review process contribute to fostering responsible gambling? If not, why not? Are there other options to ensure that the codes meet this aim?

- Should the requirement to interact with customers who are showing signs of distress from gambling be part of codes, or should a separate offence be created for venue operators who fail to respond to suspected problem gambling?

2.4 Self-exclusion programs

It is a condition of a venue operator’s licence that the venue operator has a self-exclusion program that has been approved by the VCGLR.

A self-exclusion program is a program that enables a person to voluntarily exclude themself from the gaming machine area of a gaming venue. When a person chooses to self-exclude, an interview is organised for the person with one of the self-exclusion programs. At the interview, the program is discussed and the person signs a Self-Exclusion Deed (deed) and sets the self-exclusion period, between six to 24 months. At this time they are also provided with information about Gambler’s Help services or sometimes a Gambler’s Help counsellor attends the deed signing.

By executing a deed the person:

- commits to not enter the gaming room and to not play gaming machines at nominated venues
- authorises the distribution of their photograph and personal details to nominated venues
- authorises venue staff to stop them entering the gaming room
- releases and indemnifies others from legal liability in relation to the self-exclusion
- acknowledges that the deed was entered voluntarily and that they understand the contents of the deed and that it applies only to the individual.

People tend to exclude themselves from venues in their local community, including venues near their work. A person may revoke the deed before the self-exclusion period expires, provided they meet the requirements for revoking a deed specified by the self-exclusion program. This usually requires the person to produce written evidence that they have received counselling from a problem gambling support service.

Venue operators and their staff have access to photographs of self-excluded persons, which they must regularly check so they can recognise a self-excluded person if they attempt to enter the gaming room.
Victoria has two self-exclusion programs, one administered by the Australian Hotels Association and the other by Community Clubs Victoria. In 2014-15, 2,108 self-exclusion deeds were executed. An individual may sign more than one deed.

All states and territories in Australia require venue operators to have a self-exclusion program. These programs are typically administered by the industry, but in South Australia, the self-exclusion program is administered by the regulator, the Independent Gambling Authority.

Victoria, like most other jurisdictions, only permits a person to self-exclude. However, the South Australian program permits a third party, such as a family member, to apply to exclude a person from a gaming venue.

In New South Wales, ClubSafe, and ClubsNSW have developed the Multi-Venue Self-Exclusion system (the system), a web-based system that allows people to exclude themselves from clubs in the local area via an online system.

Concerns that have been raised about the Victorian model are that it is difficult to self-exclude quickly in regional areas and hard for staff to identify a self-excluded person because of the number of people excluded and the number of customers in a venue at any one time. There are also concerns that venue operators are not doing enough to ensure that self-excluded people do not enter or remain at the venue.

The Responsible Gambling Ministerial Advisory Council (RGMAC), which provides advice to the Minister in relation to gambling policy and research, has recommended that a single program operate in Victoria.

The VCGLR conducts an annual review of self-exclusion programs and reports to the Minister on the programs including whether any disciplinary action was taken against a venue operator for repeated breaches of the venue operator’s self-exclusion program.

### QUESTIONS

- Are self-exclusion programs best administered by the industry or by another body?
- Should there be one self-exclusion program in Victoria?
- How could self-exclusion programs be improved?
- Is the annual review useful or are there other ways to report on program trends and compliance?
- Should there be a separate offence for venue operators who knowingly allow self-excluded persons to enter or remain in the venue?

### 2.5 Responsible Service of Gaming Training

#### 2.5.1 Responsible service of gaming training

Victoria has a statutory requirement that gaming venue staff complete Responsible Service of Gaming (RSG) training, which is designed to equip staff with the knowledge and skills to ensure that gaming is provided responsibly.

The current training requirements are that gaming venue staff complete an approved RSG training course within six months of commencing work in the gaming machine area of an approved venue. Gaming venue staff must also complete a refresher course every three years thereafter.

These RSG courses and refresher courses are provided by registered training organisations that have been approved by the VCGLR and submit course materials for its approval.

Deficiencies in the quality and consistency of RSG training were identified by the Victorian Auditor-General’s Office and the RGMAC. Primarily, it was found that RSG training courses had no quality assurance of the courses to determine whether course content and delivery adequately equips gaming venue staff to meet their legislative and regulatory requirements regarding responsible gambling.
The government has revised RSG training to address the deficiencies identified and to ensure Victoria has best practice training for gaming room staff. This includes staff being able to identify indicators of problem gambling behaviour and to take action to respond appropriately.

New regulations provide that from 1 January 2017, a standardised course of two modules will need to be completed by relevant staff. Module 1 will be an online course hosted by the State and module 2 will be delivered face-to-face to staff in gaming venues by venue support workers. From 1 January 2017, module 1 must be completed within one month of commencing work in a gaming venue and module 2 must be completed within six months. Transitional arrangements will apply to staff who have already completed RSG training by 1 January 2017.

### 2.5.2 Advanced responsible service of gaming training

The new online RSG training material advises gaming employees to regularly engage with their venue’s responsible gambling officers. Responsible Gambling Codes of Conduct set out how venue operators and their staff will interact with customers who may be showing signs of distress that could be related to gambling and all relevant codes nominate a responsible gambling officer to assist staff with these interactions.

Responsible gambling officers tend to be more experienced in identifying and responding to behavioural indicators of problem gambling. It is possible that formalised, dedicated training could enhance these skills.

An advanced RSG training course for managers and responsible gambling officers could help them to develop practical skills for identifying and responding to problem gambling.

South Australia is the only state to prescribe two levels of RSG training. There is a basic training course for gaming employees and an advanced training course for gaming managers.

In 2014, amendments were made to the Liquor Control Reform Act 1998 to give the Minister the power to direct certain liquor licensees to complete the advanced Responsible Service of Alcohol (RSA) training program.

The advanced RSA training program was developed by William Angliss Institute in conjunction with the VCGLR and is designed for licensees, managers and staff of late night venues who often face a range of challenges and issues.

Applicants for a licence that allows the venue to trade late, must complete the advanced RSA training within six months of the licence being granted.

**QUESTIONS**

- Should a new requirement to undertake advanced responsible service of gaming training be introduced?

- If so, who should be required to complete the advanced training and what content should the training include?

- Who should be responsible for the development and provision of the advanced training?

### 2.6 Regional caps and municipal limits

The distribution of gaming machine entitlements is subject to regional caps and municipal limits that limit the number of gaming machines in each region.

Regional caps were introduced in Victoria in 2001 in response to community concerns about the number of gaming machines in areas of socio-economic disadvantage. The connection between the accessibility of gaming machines and gambling-related harm is well accepted.

The Productivity Commission concluded that:

> While causation is hard to prove beyond all doubt, there is sufficient evidence from many different sources to suggest a significant connection between greater accessibility — particularly to gaming machines — and the greater prevalence of problem gambling (Productivity Commission 1999).

The aim of regional caps was to limit gaming machine numbers in communities considered to be the most vulnerable to the harmful effects of gambling. Vulnerable communities were identified by:
the accessibility of gaming machines measured by the number of gaming machines per 1,000 adults

the average player loss per adult per year on gaming machines

the socio-economic status of areas as indicated by the Australian Bureau of Statistics Socio-Economic Indexes for Areas (SEIFA) ranking.

When the caps were introduced, the regions were capped at either the existing number of gaming machines per 1,000 adults in the region or at 10 gaming machines per thousand adults, whichever was lower. Four hundred and six gaming machines were removed from capped regions as a result of the first round of caps.

In 2006, further regions were capped and municipal limits were also introduced to limit gaming machines to 10 per thousand adults in remaining local government areas. There are 20 capped regions. Click on link to view regional caps and the maximum number of entitlements permissible in each capped region: [VCGLR table of regional caps and limits](#)

Following the implementation of the first round of regional caps between 2002 and 2004, the South Australian Centre for Economic Studies was commissioned to research the impact of a reduction in gaming machine numbers. The research suggests that where gaming machine expenditure declined, factors other than the reduction in the number of gaming machines were responsible.

In July 2005, South Australia removed over 2000 gaming machines from ‘for-profit’ gaming venues. Venues generally lost between one and eight gaming machines. An evaluation of the effect of these reductions found that they had very little impact on gaming expenditure and had a small to modest effect on gambling behaviour (Delfabbro 2008).

The report concluded that the principal limitation of the policy was that relatively few machines were removed from a market that was already oversupplied with machines, and that this was not sufficient to reduce greatly people’s access to machines (Delfabbro 2008).

The key finding arising from the Victorian and South Australian experience is that a small decrease in the number of gaming machines in an area is unlikely to reduce accessibility in a way that would positively affect problem gambling prevalence rates in that area.

A 2009 study by Storer, Abbott and Stubbs analysed a combined data set of 34 prevalence surveys conducted in Australia and New Zealand since 1991 to examine the relationship between gaming machine density, the passage of time and the prevalence of problem gambling. The authors found that the prevalence of problem gambling increases with increasing density of gaming machines at a rate of 0.8 problem gamblers for each additional gaming machine and there is no evidence of plateauing of problem gambling prevalence with increasing density of gaming machines.

The authors also found that problem gambling prevalence decreased with time, determining that a modest average annual decrease in prevalence could be expected where there is no change in gaming machine density. The authors argue that the findings support a view that restricting the per capita density of gaming machines will lead to reduced gambling harm. Conversely, unrestricted increase in gaming machine numbers is highly likely to result in ongoing increases in gambling harm (Storer et al 2009).

Based on this there is a reasonable basis on which to assume that regional caps and municipal limits on gaming machines will contribute to lower problem gambling prevalence over time.

**QUESTIONS**

- Do you think regional caps and municipal limits should be maintained? Why?

- Should regional caps be extended beyond the existing capped areas and if so, why?

- Are the current regional cap and municipal limit levels appropriate?
QUESTIONS

**REVIEW OF HARM MINIMISATION MEASURES**

- Is the current $200 per EFTPOS transaction limit appropriate? If not, what other regulatory measures would support the objectives of the Act?

- Is the current $1,000 threshold for the payment of winnings by cheque appropriate? If not, what should be the limit and why?

- Should payment by EFT be permitted in addition to, or as a replacement for, payment by cheque?

- Are there other payment methods that should be considered for the payment of credits / winnings?

- Should venue operators be able to exchange personal cheques for cash?

- If cashless gaming and or TITO is introduced, how should they be regulated so that they are consistent with other measures that limit access to cash? What harm minimisation measures should apply?

- What opportunities are there to improve the way codes operate in Victoria?
  - Are there other models that would be more effective? If so, what are they?
  - Would a more prescriptive approach for all venue operators be better? Could the operation of codes be simplified?
  - Are there other matters that should be provided for in the Ministerial Direction for codes?
  - What requirements for loyalty schemes should be included in a code to promote responsible gambling?
  - Does the annual review process contribute to fostering responsible gambling? If not, why not? Are there other options to ensure that the codes meet this aim?

- Should the requirement to interact with customers who are showing signs of distress from gambling be part of codes, or should a separate offence be created for venue operators who fail to respond to suspected problem gambling?

- Are self-exclusion programs best administered by the industry or by another body?

- Should there be one self-exclusion program in Victoria?

- How could self-exclusion programs be improved?

- Is the annual review useful or are there other ways to report on program trends and compliance?

- Should there be a separate offence for venue operators who knowingly allow self-excluded persons to enter or remain in the venue?

- Should a new requirement to undertake advanced responsible service of gaming training be introduced?

- If so, who should be required to complete the advanced training and what content should the training include?

- Who should be responsible for the development and provision of the advanced training?

- Do you think regional caps and municipal limits should be maintained? Why?

- Should regional caps be extended beyond the existing capped areas and if so, why?

- Are the current regional cap and municipal limit levels appropriate?
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