

Mr. Greg Partridge
Director
Liquor and Gaming Branch
Department of Treasury and Finance
Email: gaming@treasury.tas.gov.au

15 September 2017

RE: Submission to the First Review of the *Responsible Gambling Mandatory Code of Practice for Tasmania Options Paper*

Dear Mr. Partridge,

Anglicare welcomes the opportunity to provide comments for this first review of the mandatory code of practice for the gambling industry.

As required under the *Gaming Control Act 1993*, the Code is in place to ensure harm minimisation measures are effective, relevant and sufficient.

Anglicare believes the most effective way to limit the harm caused from gambling in Tasmania is to remove poker machines from all hotels and clubs across the State. This is because poker machines are deliberately designed to cause harm.

It is the structural characteristics of a poker machine such as auditory and visual cues, the maths behind the “game”, the price and the prize structure that results in these machines causing harm.

The machines use psychological principals to maximise time and money spent on the machine. There is no way for a person at the machine to experience the legislated return to player (RTP) as this is programmed to occur over the machine’s “game” cycle, which could be many years. The actual RTP for each button push will vary each time, with the average over the whole life of the “game” required to fulfil the legislated 85 per cent RTP. This means that it is difficult for consumers to understand the actual price of using the machine.

Anglicare notes these structural characteristics are largely excluded from the remit of the Gaming Commission to impose a code of practice and yet they are vital to the responsible conduct of gambling.

Anglicare also notes that while the gambling industry points out that poker machines are legal and required to abide by the Australian and New Zealand Gaming Machine National Standard – Tasmanian Appendix, the whole premise of whether poker machines are lawful is currently running in the Federal Court. This court case will challenge whether poker machines contravene the Australian Consumer Law by being misleading and deceptive.

Anglicare's experience with service delivery and research also questions the authority of Game Design Requirements in the Tasmanian Appendix, where it states, "If the net win of a play is less than the total credit bet any audible affirmation associated with the win will be subject to close regulatory scrutiny, and any display of 'congratulatory' messages is prohibited" (T3.16). It is our experience that poker machines in Tasmania do indeed celebrate net losses and are therefore contravening the Tasmanian Appendix.

We realise that this review is restricted to reviewing the ten focus areas that are covered by the existing Code. We note, however, that the Gaming Commission "reserves the right to consider other matters outside of this current process as appropriate" (Options Paper page 4). Anglicare believes it is appropriate for the Commission to consider community sentiment as represented by evidence given to the Parliamentary Inquiry, the growth of Community Voice on Pokies Reform which currently has 51 member organisations (see attached list) and consistent EMRS poll results on community attitudes that call for complete removal of poker machines from our communities. These are the standards by which the poker machine industry should be measured.

We therefore encourage the Commission to consider recommending as part of this review the complete removal of poker machines from hotels and clubs and stronger consumer protection, along the lines proposed in this Options Paper but with additional measures also, for the machines that would remain in the two casinos.

Anglicare also notes that the Premium Player Program will be reviewed by the Commission at a later date. We wish to put it on record that we are eager to participate in this review.

We wish to place on record that it is difficult to comment on the Code in isolation of the political process going on around it. Without knowing whether poker machines will be removed from hotels and clubs and, if they remain, without knowing the terms of the licenses granted for their operation, it is difficult to comment completely. The following comments are made in case poker machines remain in hotels and clubs and notes their relevance to different licensing options where this is possible.

It is important for Anglicare to emphasise that Anglicare's primary recommendation for ensuring harm minimisation measures are effective, relevant and sufficient is to remove poker machines from hotels and clubs.

1. Advertising

Anglicare supports the banning of advertising on premises of jackpots. If poker machines remain in hotels and clubs, we do not, however, expect this measure to result in significant reduction in harm caused. It also does nothing to reduce the harm caused by the inherent design of the machine, including the increased volatility to the return to player caused by jackpots.

Further, given that the Code's definition is for advertising to take account of potential adverse impacts, Anglicare argues that the Code could take stronger steps in banning television and radio advertising rather than restricting it to certain times (1.15). Failing this, the Code could also require all advertisements to have, rather than the bland "responsible gambling" messages currently required (1.13), large-font messages about the cost of gambling and the harm caused as well as where to get help.

2. Inducements

If poker machines remain in hotels and clubs beyond the current license, Anglicare supports the Code being strengthened to reduce the impacts inducements can have on people. We support the prohibition of incentives for staff to encourage patrons to gamble, the proposed requirement to ensure sounds associated with gambling are not audible in non-gambling areas and the proposal to install a maximum jackpot threshold.

Anglicare believes the jackpot thresholds in other Australian states, while lower than our open-ended maximum, are still too high for harm to be effectively minimised as is indicated by the prevalence of harm that occurs in all Australian states except Western Australia. As more appropriate examples for Tasmania to follow, the maximum jackpots in venues similar to hotels and clubs in countries such as Belgium, Quebec, New Zealand and the UK are each more than \$9,000 less than the \$10,000 being proposed for Tasmania.

Anglicare would also like the Commission to consider whether the Oasis Rewards Club has been in breach of the Code (inducements) in its issuing of vouchers to its members. For example, the Code states that “any voucher or token, regardless of the amount that it is issued for, must be redeemable for services other than just gambling...” and “other than for a specific event, must be valid for a minimum period of 30 days” (2.2) and yet the Oasis Rewards Club issued vouchers this year that can only be used for Keno and are only valid for a week (see attached example).

3. Player loyalty programs

Anglicare supports the proposed requirement that loyalty programs provide concise and meaningful information as per the four sub points listed in the Options Paper. However, we urge the Commission to consider evidence about the harm that a “responsible gambling” approach (3.11) can cause. For example, the Victorian Responsible Gambling Foundation’s report *Assessing Gambling-related Harm in Victoria* found that low and moderate-risk gamblers account for a majority of the aggregate years of health life lost due to gambling in Victoria.

This is an example of the continuum of gambling problems well known to counsellors that see people move quickly into experiencing harm despite understanding the goals of “responsible gambling”. The Victorian Responsible Gambling Foundation encourages policy makers to use this new evidence to broaden their focus away from the promotion of ‘responsible gambling’ to a recognition that anyone can at any time be harmed, especially from particular gambling products such as poker machines.

The intention of the proposal to not issue activity statements to people who have not gambled within the statement period is to avoid triggering an urge to gamble. While the current Code and proposed changes excludes the Oasis Rewards Club from loyalty programs, an Oasis Rewards Club member receives regular notifications with inducements to attend the venue regardless of their recent activity, which we believe is against the intention of the Code.

An unknown for Anglicare in the current political climate is what the impact would be on loyalty programs if Parliament decides to issue venue-based licenses for poker machines and in particular whether this would lead to an increase in the number of loyalty programs. We urge the Commission to consider this possibility.

4. Access to cash

The intention of the Code is to limit access to cash at a gambling venue to help minimise the potential for people to spend more than they intended. The structural characteristics of the

machines encourage people to spend more than they intended which is why Anglicare recommends the removal of machines from hotels and clubs.

Anglicare supports the limitation of one EFTPOS withdrawal in a hotel or club for any purpose, the requirement to check the patron's identity against the Tasmanian Gambling Exclusion Scheme before granting an EFTPOS withdrawal and the keeping of a register of cash withdrawals to ensure only one withdrawal is made per day. Since the withdrawal of cash in a licensed venue is most likely to be for gambling because a card can be used for most other purposes, we support a maximum withdrawal of \$100.

Anglicare also supports a prohibition of cashing cheques on licensed premises.

The requirement to have the coin change machine behind the bar and for staff to check identification against the exclusion scheme before providing cash exchange is also supported by Anglicare.

The proposal to limit access to cash from ATMs and EFTPOS at casinos to \$200 per day for any purpose is supported by Anglicare as, again, the main reason for accessing cash is to gamble since most other transactions can take place using a card.

Anglicare is concerned that the new features of the Wrest Point/Country Club Payout Card and the Federal Rewards Club Card do not meet the intention of the Mandatory Code regarding access to cash. These cards allow the customer to access up to \$2,000 (Payout Card) and \$10,000 (Rewards Club Card) through a poker machine without the customer needing to go through an ATM or EFTPOS transaction. According to "Great new features for you", available from the Country Club and Wrest Point websites, customers can insert their card into a Cash Redemption Terminal and deposit or collect cash. Anglicare urges the Commission to investigate these cash cards as part of this review.

5. Payment of winnings

Anglicare supports the reduction in Keno and poker machine payouts from the current \$1000 along with payments to be made electronically direct into bank accounts where possible but we recommend that the threshold should be dropped further, down to \$200 as the proposed \$500 threshold is more than an average Tasmanian worker earns in a day.

6. Service of food and alcohol

The purpose of this section of the Code is to create opportunities for people to take a break from gambling. Anglicare supports the proposal to prohibit serving alcohol to people seated or standing at a poker machine at any time and for this to include fully automated table gaming. We believe food should also not be served at any time while someone is seated or standing at a machine.

We also raise a query as to how well the current measure is understood and implemented as we know of examples of food being served after 6.00pm to patrons at machines. We are not confident that staff know what to do when they realise they are bringing food to someone who is at a machine.

7. Information to players

Anglicare supports measures that help people be more informed about the odds of gambling, the cost of play and the house edge, however our service and research experience shows that people can proceed very quickly from informed decisions about how much they want to spend to being taken away with the moment to moment lure of the poker machine. It is the inherent design of

machines that make people lose control of the time and the amount of money the machine has taken.

Anglicare is wary of how effective any static intellectual messages would be. The definition of this section of the Code and proposals such as these messages assume that people using a poker machine make informed decisions. Research shows that this is often not the case.

The options proposed are also static messages that would need to compete for the person's attention over the colourful and moving graphics that are allowed in poker machines. For example, as part of a machine's messaging, a person may be rewarded visually and audibly by a wizard giving them a high five for their "win" of ten cents (which from a bet of twenty cents is actually a loss) while the proposal is that there would be a static sign that informs them of their 'expected' hourly expenditure. The static message is unlikely to gain traction. Anglicare recommends the message must be visual and audible and in keeping with the machine's gaming design.

8. Additional comments

Anglicare believes the Code should improve staff training and staff interventions.

The Code currently requires special employees to undertake the Responsible Conduct of Gambling training course and for at least one person who has completed the course to be on duty at all times in the gaming room. However, our Gamblers Help staff are concerned that the current training is not sufficient for staff to deal with customers who are experiencing harm and/or who are excluded. This affects customer confidence in the exclusion scheme.

There is also no legal requirement for staff to intervene when they believe someone is experiencing harm. Anglicare believes the failure of the Code to require action leaves customers vulnerable. It is too common for staff to avoid taking action because they are not sure of the individual's circumstances and are not clear of the indicators of harm they need to observe.

Anglicare believes the "duty of care" principal that is supposed to govern responsible service is both not clear and perhaps not fair for venue staff to apply. The thousands of people who experience harm from gambling on poker machines can only develop this harm through frequent and persistent attendance at a gaming venue often with the knowledge of the staff. As one venue staff member reported during a Gamblers Help venue visit, "I know the people in that room are problem gamblers because they are desperately banging on the door at 10am on public holidays when we open an hour late, but they do not exhibit any of the identified signs of problem gambling so we don't say anything".

The difficulty that staff have in intervening is one of the reasons that Anglicare calls for the removal of poker machines from hotels and clubs and for consumer protection measures to be improved in the casinos.

Anglicare is also aware that a number of venue staff have had difficulty completing the online course, which we hope the Commission will investigate.

In conclusion, Anglicare believes the most effective way to limit the harm caused from gambling in Tasmania is to remove poker machines from all hotels and clubs across the State. If parliament fails to remove the machines, we support many of the proposed changes to the Mandatory Code but recommend some of them go further.

Yours sincerely,

Dr Chris Jones

CEO Anglicare Tasmania