



Player Card Gaming Project
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Submission of the Synod of Victoria and Tasmania, Uniting Church in Australia to the *Player Card and Cashless Gaming* consultation paper 18 October 2024

The Synod of Victoria and Tasmania, Uniting Church in Australia, welcomes the opportunity to provide a submission to the *Player Card and Cashless Gaming* consultation paper.

The membership of the Synod's congregations have been concerned for a long time about the harms that certain forms of gambling are causing in our communities. At the 1999 Synod meeting of representatives of the congregations a resolution was passed stating:

To call on the State Government to implement strong consumer protection measures for gamblers through legislation to stop their exploitation by the gambling industry, including:

- (i) *the establishment of adequately resourced, independent bodies to provide consumer protection for gamblers and to enforce legislation and regulations for consumer protection;*
- (ii) *the provision for local government veto over the number of machines and new gaming venues; and*
- (iii) *the provision of increased funding for recreational alternatives to gambling.*

The 2011 Synod meeting of the congregation delegates made the following resolution:

To urge the Federal and State Governments to implement further measures to reduce the level of problem gambling and other harm caused by electronic gaming machines (EGMs), including:

- (i) *Introduction of a pre-commitment system on all EGMs that is easy for gamblers to use; links all machines together, so that it will not be possible to override a limit the gambler has set simply by moving to another machine; allows for at least 24 hours before a limit can be increased upwards; and allows gamblers to set enforcement loss and time limits for themselves;*
- (ii) *Setting the maximum a gambler can lose on the EGMs to \$1 per button push; and*
- (iii) *Limiting opening hours of EGM areas in venues to between 10am and midnight;*

What issues should be considered for other programs, such as membership or loyalty schemes, that might use the same player card?



The Synod strongly believes that the proposed limit-setting card system should rule out the attachment of any loyalty scheme that will encourage increased gambling expenditure to the introduction of the limit-setting mechanism. Ideally loyalty schemes should be prohibited altogether as they encourage risky and problematic gambling behaviour where they reward increased gambling activity. There is a danger that where loyalty schemes are permitted, the limit-setting system becomes a tool for promoting loyalty schemes.

The experience of Crown Casino was that loyalty schemes were more attractive to people with gambling problems, than recreational gamblers. Approximately 45% of people gambling on pokies at Crown Casino used a loyalty card. That increased to 61% for people with a gambling problem.¹

A certification process will be required for higher loss limits requests. How stringent should this certification process be?

The certification process should require a level of identification that confirms the person is the person they say they are, including the use of reliable photo identification.

What evidence of financial capacity should be provided to support higher loss limits requests?

The evidence required to increase the limits above the default limits should be the same that a financial institution would require to be provided when considering an application for an increase in credit card limits. That would normally require evidence of income, such as payslips. The risk of harm from gambling on EGMs is much higher than from overspending on a credit card, so having an evidentiary requirement aligned to increasing a credit card limit is justified. The granting of the increase should be by a similar process to that a financial institution would use in determining if an increase in credit card limits is affordable.

At what points in the player card gambling process should a person's identity be verified, for example for card re-issue, when changing limits, loading funds onto cards or receiving payouts?

A person's identity should be verified when the card is issued, if a card is re-issued, and when seeking an increase in loss limit. The identity verification at these points will reduce money laundering risks by making sure the person knows they can be identified. The interaction with a person when seeking to increase a limit is also likely to cause a person to reflect more carefully if they wish to increase their limit.

Should player activity statements be mandatory or optional? For example, players can opt-in or opt-out of receiving statements?

The issuing of statements should be mandatory, or at the very least opt-out of receiving statements. There should be an ability to access transaction history and activity statements by a variety of means including:

- Being able to print off the expenditure records at a kiosk in the venue (which is already the case for at least one limit-setting system operating in Queensland);
- Being able to access expenditure records online; or
- Having a statement e-mailed or mailed to them at periodic intervals to an address of their choice.

How often should player activity statements be generated?

The activity statements should be generated at least twice a year, with the ability to access a transaction list being available at any time online, similar to online banking.

¹ Delfabbro, P., & King, D., 'The prevalence of loyalty program use and its association with higher risk gambling in Australia', *Journal of Gambling Addictions*, (2021).



What information would you like to see on a player activity statement?

The activity statement should contain a transaction history, with a total of money lost and money won separately listed, much like a bank statement showing deposits and withdrawals. Ideally it would also show the amount of time spent at EGMs with the card inserted.

The activity statement should include warning messages about gambling and ideally what might have been purchased by the net loss. The statement should be forbidden from containing any advertising or gambling promotion messages.

From a harm minimisation perspective, how long should a delay be before an increase in a loss limit comes into effect? That is, how long should the cooling off period last?

An effective limit-setting system has the potential to assist people gambling to avoid risky and problematic behaviour by allowing them to set enforceable limits when they are in a more rational frame of mind in a context outside of a gambling session. It provides a barrier to the consequences of loss of control during a gambling session, curbing unaffordable losses in the 'heat of the moment'. Any limit-setting mechanism that can be circumvented during a gambling session is thus unlikely to be of much assistance to those engaging in risky or harmful behaviour as the result of a loss of control during gambling sessions. This point was made by a number of researchers in submissions to the Productivity Commission inquiry.²

The ability to simply circumvent a limit-setting decision during a gambling session would largely defeat the main utility of a limit-setting system. For this reason the Synod believes that it should not be possible to increase a limit for at least 24 hours.

A 24 hour wait period to increase a limit, while allowing for a limit to be immediately reduced, is consistent with some existing limit-setting systems, such as the one operating at Crown Casino in Melbourne.

Should there be a limit on how much money can be loaded into a player account?

We believe there should be a limit on how much can be loaded into a gambler's account. We suggest that limit be no more than \$500.

The Synod is concerned about the introduction of a cashless gambling system. The Productivity Commission identified the risks that cashless gambling can disguise the fact that people are losing 'real money' and cashless systems may reinforce anonymous, intense and uninterrupted gambling, which increases the likelihood of the person gambling being harmed. Hare (2015) found that people with gambling problems were far more likely to lose track of money while gambling on EGMs than people engaged in low risk or moderate risk gambling behaviour.³ It is reasonable to be concerned that cashless gambling would make this worse.

Behavioural science studies have shown that people treat the use of cash very differently to electronic representation of cash.⁴ It is likely that the behavioural change will increase gambling losses and therefore gambling harm. For these reasons, placing a limit on how much money can be loaded into an account will limit the likely level of increased losses from the use of a cashless gambling system.

Should there be a limit on the maximum amount that can be transferred to an EGM from a player account?

² Productivity Commission 2010, *Gambling*, Report no. 50, Canberra, p. 10.23.

³ Sarah Hare, 'Study of Gambling and Health in Victoria', Victorian Responsible Gambling Foundation and Victorian Department of Justice and Regulation, November 2015, 115.

⁴ Dan Ariely, 'Predictably Irrational. The hidden forces that shape our decisions', Harper Collins: London, 2009, 217-230.



We support there being a load up limit onto the EGM and recommend that be \$100 to provide friction on the amount a person can lose quickly on an EGM.

When a gambler collects funds, should there be an ID check as well as entering their PIN?

The requirement for an ID check will be an extra safeguard against the possibility that someone other than the gambler obtains the gambler's card and for some reason knows the PIN and uses the card to obtain money from the card.

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