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Liquor and Gaming Commission
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Via: consultation.lagb@treasury.tas.gov.au

To whom it may concern,

Thank you for the opportunity to contribute the Commission's consideration of facial recognition and player card technologies in respect of Electronic Gaming Machines (EGMs).

At the outset, we reiterate the Greens' deep concern about the lack of genuine harm minimisation measures being proposed by government – either in the *Gaming Control (Amendment) Act 2021*, which was passed with the Labor Party's support, or in its direction to the Commission. This egregious failure will cost lives and livelihoods.

It is our view that a mandatory card system is the only system under the terms of reference for this review that will likely provide any appreciable reduction in gambling harms caused by EGMs.

The Norwegian card system, which was briefly touched on by the research paper, is consistently highlighted by the literature as the strongest practical example of harm reduction regulation.^{1,2,3}

Many of the other approaches discussed either lack evidence of efficacy, or have a limited harm reduction impact.

¹ Angela Rintoula, Julie Deblaquiere, and Anna Thomas, "[Responsible gambling codes of conduct: lack of harm minimisation intervention in the context of venue self-regulation](#)", *Addiction Research and Theory*, Vol. 25, no. 6, p. 451, 2017.

² Anna Thomas, Darren Christensen, Julie Deblaquiere, Andrew Armstrong, Sharnee Moore, Rachel Carson and Angela Rintoul, "[Review of electronic gaming machine pre-commitment features: Limit setting](#)", *Australian Institute of Family Studies*, 2016.

³ Janne Nikkinen, "[Is there a need for personal gambling licences?](#)", *Nordic Studies on Alcohol and Drugs*, Vol. 36, no. 2, p. 111, 2019.

On the issue of facial recognition technology – a mandatory card system that requires the registration of any and all gamblers would render any use of facial recognition technology redundant. This is because a card system which requires registration in order to participate would have a 100% (or near 100%) success rate of self-exclusion.

In Norway, the cards require some level of identification, and are linked to the person's bank account and tax records. This means that any sort of fraud to bypass a self-exclusion would be extremely challenging.

The Norwegian system sets global expenditure limits for all users on a daily, and monthly, basis. In 2016, the rate was Kr 2,700 (\$410 AUD) per day and Kr 4,400 (\$669 AUD) per month.⁴ This changed from a limit of Kr 800 per day and Kr 4,000 per month in 2013,⁵ illustrating the flexibility of such a system.

Although our strong recommendation would be for global expenditure limits to be set, there is no reason this system couldn't be introduced without a mandated expenditure limit. This is one of the benefits of a card system for regulators – parameters can be altered, removed, or added with relative administrative ease. This allows the system to be responsive to changing trends and evidence.

The card system can also be extended to other gambling products. In Norway, the system extends to all gambling products offered by the State-owned gambling provider, *Norsk Tipping*, which offers lottery, sports betting and casino games in addition to EGMs. The card system also extends to their online gambling portfolio.⁶

While this would certainly be more complicated in a regulatory environment where products are not delivered by a state-owned entity, it demonstrates the potential of the system to have harm reduction benefits for a range of other products in the future.

In addition to global expenditure limits, players are made to use budget tools on registration which require them to set personal loss limits which can't exceed the global loss limits.⁷ This novel approach would likely circumvent some of the issues with opt-in approaches to setting loss limits that lead to low uptake.⁸

⁴ Michael Auer, Sigrun Høvik Reiestad & Mark D. Griffiths, "[Global Limit Setting as a Responsible Gambling Tool: What Do Players Think?](#)", *International Journal of Mental Health and Addiction*, Vol. 18, pp. 14–26, 2020.

⁵ Thomas, Christensen, Deblaquiere, Armstrong, Moore, Carson and Rintoul, (n 2).

⁶ Auer, Reiestad & Griffiths (n 4).

⁷ Jonny Engebø, Torbjørn Torsheim, and Ståle Pallesen, "[Regulatory Measures' Effect on Gambling Participation: Experiences From Norway](#)", *Frontiers in Psychiatry*, 30 June 2021.

⁸ Angela Rintoul and Anna Thomas, "[Pre-commitment systems for electronic gambling machines: Preventing harm and improving consumer protection](#)", *Australian Institute of Family Studies*, 2017, p. 5.

The utilisation of this approach, without a global expenditure limit, would perhaps provide a middle ground with an individual-responsibility focus that is more effective than standard opt-in arrangements.

A potential third approach would be to include global expenditure limits that can be exceeded if a person's income is above a certain level. This would require Australian Taxation Office data matching.

This model also has the potential to provide benefits to the justice system. Gambling addiction can cause, or be a contributing factor, to poverty, addiction, homelessness, crime and relationship breakdowns.⁹ These are significant individual and societal costs.

The ability to introduce court mandated exclusions, or spending limits, as a sentencing alternative when offending relates to gambling behaviour, in our view, has the potential to offer benefits comparable to the court mandated diversion program for drug-related offending.

Indeed, in 2011, a report commissioned by the Tasmanian Department of Treasury and Finance made a number of recommendations for court diversions and rehabilitative sentencing for offenders whose crimes are gambling-related.¹⁰

It may also offer dispute resolution mechanisms in civil or family courts. The imposition of spending limits, or outright exclusions, may, for example, be useful tools to address failures to pay child support. It may also provide an avenue for people who have had family members steal money to fuel their gambling addiction, who may not wish those responsible to face serious sanctions.

While we will not go so far as to recommend anything specific in terms of justice reforms at this stage – we believe investigation of these matters by bodies like the *Sentencing Advisory Council* and the *Tasmanian Law Reform Institute* would have considerable merit, should a mandated card system be introduced.

The availability of online gambling is often used as a red herring to avoid changes to the status quo in the gambling industry. However, there is evidence to suggest very few EGM users in Norway resort to online gambling, or other forms of gambling in general, when they hit their spending limit.¹¹

In the long-term, a national card-based system that included online providers may provide a comprehensive solution to this issue. While this is outside of the purview of the Tasmanian regulator, becoming the first Australian jurisdiction to

⁹ Productivity Commission, 2010, [Gambling Inquiry](#), vol 1, pp. 13-14

¹⁰ The Allen Consulting Group, "[Responding to Gambling-Related Crime: Sentencing Options and Improving Data Collection in Courts and Prisons](#)", Report to the Tasmanian Department of Treasury and Finance, 2011.

¹¹ Auer, Reiestad & Griffiths (n 4).

implement this technology would provide a starting point to advocate for reforms in this space.

The Norwegian system also has health measures, and mandates a 10 minute break for every continuous hour of play,¹² as well as allowing individuals to set their own personal break parameters.¹³

Again, despite global mandated settings being, in our view, the preferable approach, adoption of a mandatory card system does not preclude solely providing for personal settings.

As a final matter – a mandated card based system would be invaluable in terms of research. The *Social and Economic Impact Studies* mandated under Tasmania's *Gaming Control Act 1993* rely on self-reported data.¹⁴

The provision of accurate data on player expenditure, play hours, etc. would allow for far more reliable data, as well as more reliable estimation and tracking of the risk of gambling harm and changing trends.

Such a system would also allow for easy to implement trials of new harm reduction measures, as well as accurate data collection on the efficacy of these measures.

We strongly encourage the Tasmanian Liquor and Gaming Commission to adopt a mandatory card-based system that is as close as possible to the Norwegian model. The evidence suggests this is the best approach within these terms of reference to reduce the harm caused by EGMs.

Yours sincerely,



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Greens Leader and Member for Clark



Peter Whish-Wilson
Greens senator for lutruwita/Tasmania

¹² Ian Horne, "[The Gaming Machine Environment in Norway](#)", A Report on Outcomes and Observations of the AGC Delegation to Oslo, Norway, 2008. [accessed via: google web cache]

¹³ Thomas, Christensen, Deblaquiere, Armstrong, Moore, Carson and Rintoul (n 2).

¹⁴ The South Australian Centre for Economic Studies, "[Fifth Social and Economic Impact Study of Gambling in Tasmania 2021](#)", Volume 1: Industry Trends and Impacts, 2021, p. ix.