



Tasmanian Council of Social Service Inc

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# Harm Minimisation Technologies

*May 2022*



**INTEGRITY  
COMPASSION  
INFLUENCE**



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## About TasCOSS

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TasCOSS's vision is for one Tasmania, free of poverty and inequality where everyone has the same opportunity. Our mission is two-fold: to act as the peak body for the community services industry in Tasmania; and to challenge and change the systems, attitudes and behaviours that create poverty, inequality and exclusion.

Our membership includes individuals and organisations active in the provision of community services to Tasmanians on low incomes or living in vulnerable circumstances. TasCOSS represents the interests of our members and their service users to government, regulators, the media and the public. Through our advocacy and policy development, we draw attention to the causes of poverty and disadvantage, and promote the adoption of effective solutions to address these issues.

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## Introduction

Thank you for the opportunity to make a submission to the Department of Treasury and Finance in relation to its current consultation into harm minimisation technologies in Tasmania.

TasCOSS strongly supports the consideration and implementation of measures designed to reduce gambling related harm, noting extensive research and evidence of the potentially harmful consequences of gambling, particularly using electronic gaming machines.<sup>1</sup> We encourage the Government to consider best-practice recommendations from experts and other jurisdictions in relation to measures which will support Tasmanians who are most at risk, without compromising the experience of recreational users.<sup>2</sup>

Despite there being a range of harm minimisation measures that are proven to be effective, the Tasmanian Government is limiting its consideration to two preferred technologies: facial recognition technology and player card gaming. These two options have been canvassed in a research paper recently commissioned by the Department and authored by an independent consultant, entitled *Gambling Harm Minimisation Technologies Research* (the Research Report).<sup>3</sup>

Our submission will address these two options and make recommendations in relation to each measure. It will also include some additional, specific recommendations for effective harm minimisation.

## Facial Recognition Technology

Facial recognition technology (FRT) has been defined as “a collective term for technologies involving identification of an individual person based on an analysis of their facial features”.<sup>4</sup> FRT is described in the Research Report as a system which comprises the following three elements:

- an imaging device;
- control information; and
- a comparison system.

An example of an existing facial recognition system is the *HealthCheck SA* app used in South Australia as part of their Covid-19 home quarantine regime, which uses facial recognition and geo-location software to track people subject to restrictions.<sup>5</sup> Other jurisdictions, including New Zealand and the UK, use

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<sup>1</sup> See for example Productivity Commission, *Gambling*, 2010, Inquiry Report, vol. 1, chap. 4-5; Parliament of Tasmania, *Joint Select Committee on Future Gaming Markets Final Report*, 2017, pp.41-117; The Allen Consulting Group, *Fourth Social and Economic Impact Study of Gambling in Tasmania*, 2017, p. viii, [treasury.tas.gov.au/Documents/Volume%201%20-%20Industry%20Trends%20and%20Impacts.PDF](https://treasury.tas.gov.au/Documents/Volume%201%20-%20Industry%20Trends%20and%20Impacts.PDF).

<sup>2</sup> See for example recommendations in Productivity Commission, *Gambling*, 2010, Inquiry Report, vol. 1-2, [pc.gov.au/inquiries/completed/gambling-2010/report](https://pc.gov.au/inquiries/completed/gambling-2010/report).

<sup>3</sup> Stenning and Associates (2022) *Gambling Harm Minimisation Technologies Research*.

<sup>4</sup> Lynch, N and Chen, A, (2021) *Facial Recognition Technology: Considerations for Use in Policing*, p11.

<sup>5</sup> See <https://www.abc.net.au/news/2021-08-23/home-quarantine-trial-in-south-australia/100398330>; <https://www.abc.net.au/news/2021-09-17/sa-home-quarantine-trial-expands-to-overseas-travellers/100470090>.

systems which combine existing CCTV cameras and stored images with a cloud-based system to compare and identify matches.<sup>6</sup>

We understand the intended operation of a similar system in Tasmania would use a combination of new technology and the Tasmanian Gaming Exclusion Scheme,<sup>7</sup> an existing scheme involving an online database of excluded patrons, managed by the Liquor and Gaming Branch. Under the current scheme, people can self-exclude from venues, as well as being banned by a venue operator, or at the request of a third party or the Commissioner of Police. The scheme allows for exclusion either from an entire venue, or from participating in gambling/gaming activities at a venue.

The Research Report raises some potential benefits of a FRT system. For example, a system which allows patrons to self-identify and register for exclusion could potentially empower users, by allowing them to make decisions about whether and where to gamble and ensure these decisions are enforced. The Research Report also indicates that there is gaming industry support for use of FRT, particularly in relation to potential benefits in improving security and identifying and preventing banned users. We note part of the technological framework needed to set up a FRT system already exists,<sup>8</sup> which could simplify the implementation process.

However, TasCOSS is not convinced of the effectiveness of FRT as a harm minimisation measure and is concerned by the potential unintended consequences of introducing such a system in Tasmania. The following is a non-exhaustive list of some of our concerns in relation to FRT and its effectiveness as a harm minimisation tool:

- **Effectiveness in self-exclusion**

While the Research Report does not provide a detailed outline of how the scheme would operate in Tasmania, the models it refers to (including Queensland, the UK and New Zealand) are using FRT not only to identify self-excluded patrons, but also to enforce banning or exclusion orders (for example, patrons who present a security risk or are engaging in problematic behaviour).

Evidence from jurisdictions where similar systems are already in place indicated a very limited uptake of self-exclusion measures.<sup>9</sup>

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<sup>6</sup> Stenning and Associates (2022) Gambling Harm Minimisation Technologies Research, p36-42.

<sup>7</sup> Tasmanian Government (June 2021) Fact Sheet: Tasmanian Gambling Exclusion Scheme, accessed at <https://www.treasury.tas.gov.au/Documents/TGES-Exclusion-scheme-factsheet.pdf>.

<sup>8</sup> Ibid.

<sup>9</sup> Hare, S, 2020, *What is the impact of cashless gaming on gambling behaviour and harm?*, Victorian Responsible Gambling Foundation, Melbourne; Schottler Consulting, Hare, S. (2009). *Report – Queensland Card-based Gaming Trials*, Office of Regulatory Policy, Department of Employment, Economic Development and Innovation, Queensland.

Several barriers to self-exclusion programs or mechanisms intended to address problem gambling have been highlighted, including the effort required of patrons to self-exclude, shame and stigma and concerns relating to privacy and confidentiality.<sup>10</sup>

Researchers have noted that, in general, self-exclusion mechanisms are often only implemented after users have already experienced a significant level of gambling-related harm,<sup>11</sup> suggesting their effectiveness as a preventative or early intervention strategy is limited.

- **Staffing and responsibilities**

Introducing FRT relies on venues and staff to support its intent and functioning. The FRT system as proposed in the Research Report would require an increased level of responsibility of staff (for example, intervening and ensuring self-excluded patrons are removed from the venue), as well as potential issues of liability for venues relating to the accurate identification and removal of excluded patrons.

TasCOSS notes Anglicare Tasmania has previously identified that staff already find it difficult to intervene when they identify a patron experiencing harm from gambling,<sup>12</sup> and we are not convinced that intervention under a FRT regime would be any different.

- **Consistent implementation**

There are potential issues around venue consistency, as staff at different venues may take different approaches in relation to when and how to exclude patrons.

- **Privacy concerns**

There are issues relating to the potential privacy implications of a FRT system, noting that researchers and academics have raised several human rights concerns relating to this technology, including:

- the operation of FRT without clear legal or regulatory frameworks;
- violations of the rights to privacy;
- the principles of necessity and proportionality; and
- the potential usage of this technology to target already vulnerable groups or communities.<sup>13</sup>

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<sup>10</sup> Pickering, D., Blaszczyński, A., Serafimovska, Cho, S., & Gainsbury, S. M. (2021). *Evaluation of a pilot self-exclusion website for NSW gaming machine venues: Final report*. Responsible Gambling Fund, New South Wales Government, p6.

<sup>11</sup> Livingstone, C (2018) *A blueprint for preventing and minimising harm from electronic gambling machines in the ACT*, p18.

<sup>12</sup> See, for example, Anglicare Tasmania, *Submission to the First Review of the Responsible Gambling Mandatory Code of Practice for Tasmania Options Paper*, Liquor and Gaming Branch, Department of Treasury and Finance (September 2017), 5; Margie Law, *Programmed to addict: why poker machines should be removed from our communities*, *Submission to the Joint Select Committee on Future Gaming Markets*, Tasmanian Legislative Council (December 2016), p27.

<sup>13</sup> Birgit Schippers, *Facial recognition: ten reasons you should be worried about the technology*, 'The Conversation' (21 August 2019) accessed at <https://theconversation.com/facial-recognition-ten-reasons-you-should-be-worried-about-the-technology-122137>.

Although the Research Report cites recent research indicating citizens are prioritising convenience and security over potential privacy concerns,<sup>14</sup> TasCOSS is not convinced there is sufficient evidence relating to potential benefits of the introduction of a FRT scheme to justify what could be viewed as a significant incursion into the privacy of Tasmanians.

### TasCOSS Recommendation:

There is a lack of evidence in relation to the general effectiveness of FRT relating to self-exclusion measures and the Research Report offers no demonstration of FRT as a cost-effective tool to achieve harm minimisation outcomes. Therefore, TasCOSS does not support the implementation of FRT as an appropriate or effective harm minimisation measure for Tasmania.

## Player Card Gaming

Although player card gaming or ‘card-user’ gaming can refer to any system in which alternatives to cash are used, the Research Report clarifies that the systems they are considering as part of their analysis have the following three components:

- patron identification (which can include identification of excluded persons);
- a cashless payment system; and
- pre-commitment tools.

Several benefits of card-user gaming have been identified for venues, including increased security, improved marketing and customer service, a reduction in overheads through a decreased need for machine maintenance and reduced wages (fewer security and floor staff).<sup>15</sup> Potential benefits for users relating to harm minimisation have also been identified, however, the benefit largely depends on whether additional harm-minimisation features (such as pre-commitment) are included as part of the model.

Concerns have been raised by our member organisations about the prospect of a card-user system relying on cashless technology. There is evidence to suggest that some forms of cashless gaming could increase the amount of money lost by users, thus increasing their harm for individuals, families and communities. For example, researchers have noted that *“fairly consistent and comprehensive evidence from studies of cashless payment methods highlight that cashless payment itself is associated with increased expenditure”*.<sup>16</sup> This is potentially due to reasons associated with decreased ‘pain of payment’ (experienced by consumers when spending money to buy goods or services), which researchers note is decreased for different forms of cashless payment.<sup>17</sup> These issues may also be exacerbated for people or communities with low financial literacy.<sup>18</sup>

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<sup>14</sup> Stenning and Associates (2022) Gambling Harm Minimisation Technologies Research, p9.

<sup>15</sup> Hare, S, 2020, What is the impact of cashless gaming on gambling behaviour and harm?, Victorian Responsible Gambling Foundation, Melbourne, p43.

<sup>16</sup> Hare, S, 2020, What is the impact of cashless gaming on gambling behaviour and harm?, Victorian Responsible Gambling Foundation, Melbourne, p5.

<sup>17</sup> Ibid, p6.

<sup>18</sup> Ibid, p7.

TasCOSS therefore strongly recommends a card-user system with measures designed to reduce harm, including consideration of the following features, which have been identified by experts as key to effective harm minimisation:<sup>19</sup>

- **A card-user system which includes universal pre-commitment measures**

Research has noted *“there are likely significant benefits for all gamblers with a universal pre-commitment system, including the capacity to limit gambling expenditure, monitor amounts spent on gambling, and exert effective control on gambling habits that may be trending towards harm”*.<sup>20</sup>

Universal measures will also address concerns raised by the limited uptake of pre-commitment measures in other jurisdictions, such as Victoria.<sup>21</sup>

Universal pre-commitment is a feature of the current Norwegian model. New gaming machines were introduced in Norway in 2009, after the Government had previously banned electronic gaming machines in 2007. To address concerns relating to problem use, the new machines were fitted with a number of harm minimisation features, including universal spending limits and mandated breaks in play, the introduction of a card-user system and exclusion options. Research has noted that the newly introduced machines remain popular amongst users, suggesting that *“greater controls on EGMs can be achieved without significantly diminishing player enjoyment”*.<sup>22</sup> Given the success of the Norwegian model, TasCOSS strongly advocates for similar universal measures to be implemented as part of any card-user system introduced in Tasmania.

- **Maximum pre-set card balance limits and a maximum amount that can be transferred**

In addition to universal pre-commitment limits, researchers have also noted any limits on user cards must also take into consideration existing withdrawal limits (for example, from ATMs or in EFTPOS transactions) to ensure they are not undermining the harm minimisation intent of these limits.<sup>23</sup>

- **Use of cash crediting terminals (with consideration given to the distance between a cash-crediting terminal and an electronic gaming machine)**

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<sup>19</sup> Hare, S, 2020, What is the impact of cashless gaming on gambling behaviour and harm?, Victorian Responsible Gambling Foundation, Melbourne, 50-54.

<sup>20</sup> Livingstone, C (2018) *A blueprint for preventing and minimising harm from electronic gambling machines in the ACT*, p26.

<sup>21</sup> Ibid.

<sup>22</sup> Biggs, A (2011) Electronic gaming machines: what lessons from Norway?, Parliament of Australia, Department of Parliamentary Services, accessed at [https://www.aph.gov.au/About\\_Parliament/Parliamentary\\_Departments/Parliamentary\\_Library/pubs/BN/2011-2012/GamingMachines](https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/BN/2011-2012/GamingMachines), p6.

<sup>23</sup> Hare, S, 2020, What is the impact of cashless gaming on gambling behaviour and harm?, Victorian Responsible Gambling Foundation, Melbourne, 51.

Academics have noted the need to consider whether users should be able to load a cashless gaming card directly at an electronic gaming machine, noting that *“the principles of pre-commitment may suggest a need to separate the location of payment”*.<sup>24</sup>

- **How and where money can be transferred to electronic gaming machines, and how amounts (including limits) can be set and changed by users**

If cashless gaming is implemented, users will have to transfer money from their user-card to an electronic gaming machine. How and when money can be transferred can have a significant impact on how much users spend. In particular, researchers have cautioned against automatic transfers and the setting of default credit amounts, which may undermine harm minimisation objectives.<sup>25</sup>

- **The format and content of gambling expenditure on user activity statements, including whether, how often and in what format user activity statements should be provided to users to maintain their awareness of expenditure**

Users should be able to easily access information relating to their gambling use and the information should be presented in a way that is easy to understand. Research has highlighted that many users may struggle to understand statements,<sup>26</sup> which makes it difficult to check and monitor spending and patterns of use. A further concern has been raised in relation to how statements should be provided, noting that many users do not frequently access statements.<sup>27</sup>

- **Consistent implementation across venues**

Consideration will have to be given to how venues will effectively manage the registration system to ensure all users are given only one card. Concerns about misuse of cards were identified in the Research Report, which noted instances of non-compliance with existing card-based systems, including users sharing cards, individuals possessing and using multiple cards and some establishments even leaving pre-enrolled cards at terminals for use.<sup>28</sup>

### TasCOSS Recommendations:

If card-user gaming is to be adopted in Tasmania, TasCOSS recommends a system with the following features:

- All cards should feature universal pre-commitment with established limits (for example, for expenditure or time using a machine).
- The system should include the capability for self-exclusion (for example, from a venue or from gaming at a venue), as well as the ability to impose self-set limits, including the amount you are willing to spend, how often you want to use electronic gaming machines and at which venues.

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<sup>24</sup> Ibid, 50.

<sup>25</sup> Ibid, 51.

<sup>26</sup> Ibid, 52.

<sup>27</sup> Ibid.

<sup>28</sup> Stenning and Associates (2022) Gambling Harm Minimisation Technologies Research, 19.

- Registration for self-exclusion and other measures should be easy, private and accessible – for example, via a web-portal,<sup>29</sup> as well as in person at venues. The registration process should operate to prevent individuals from obtaining multiple cards.
- Consideration should be given to how and where cards can be loaded pre-use and how cards or cash are utilised during electronic gaming use.
- The system should give users the ability to keep track of spending – ideally, this would be a function of the electronic gaming machine (for example, a reader with spending information inbuilt into the machine), but otherwise the information should be available in an easily accessible, easy-to-read format.
- The system should include universal, automatic interventions (for example, automatic messaging – with messages like ‘consider reducing your limit’ or information about helplines/support services) triggered by indicators of potential harm from gambling (for example, the time or money spent at a machine).
- There should be additional training to ensure staff at venues understand the harm minimisation features of the new system, as well as greater training to identify and support users who may be showing signs of problematic gaming machine use.
- There should be transparent and independent monitoring of the card user system. The public should be provided with information about how electronic gaming machines and the pre-commitment system and measures work, as well as how any data recorded (for instance, in relation to use and expenditure) is going to be stored.
- An assessment undertaken of the effectiveness of harm minimisation measures against clearly identified goals, including an independent review of the system, with reporting at regular intervals and information relating to the measures easily available to the public and community groups (for example, reports tabled in Parliament and provided to identified community organisations and groups).

## Further Recommendations

While the Research Report was focused on the two measures of FRT and card-user gaming, there are several other harm minimisation measures which could be implemented to reduce gambling-related harm to Tasmanian individuals, families and communities.<sup>30</sup> TasCOSS has previously advocated for:<sup>31</sup>

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<sup>29</sup> Pickering, D., Blaszczyński, A., Serafimovska, Cho, S., & Gainsbury, S. M. (2021). *Evaluation of a pilot self-exclusion website for NSW gaming machine venues: Final report*, Responsible Gambling Fund, New South Wales Government.

<sup>30</sup> See for example recommendations in Productivity Commission, Gambling, 2010, Inquiry Report, vol. 1-2, <https://www.pc.gov.au/inquiries/completed/gambling-2010/report>; Livingstone, C, Rintoul, A and Francis, L, (2014) *what is the evidence for harm minimisation measures in gambling venues?* accessed at <https://journal.anzsog.edu.au/publications/11/EvidenceBase2014Issue2Version1.pdf>.

<sup>31</sup> TasCOSS 2021, Submission to Department of Treasury and Finance, *Gaming Control Amendment (Future Gaming Market) Bill 2021*.

- Setting the maximum bet limit as \$1 (instead of the current \$5 maximum bet);
- Lowering the spin speed from three seconds per spin to six seconds per spin;
- Reducing the maximum jackpot from the current \$25,000 to \$1,000;
- Prohibiting ‘losses-disguised-as-wins’, which deliberately mislead machine users to keep people playing for longer, making it harder to keep track of losses;
- Increasing the Return to Player rate to 95%, which would return more money to machine users, therefore reducing harm overall and ensuring a greater share of returns to users;
- Regular programmed machine shutdowns, allowing a machine user to use a break in play to consider whether to continue gambling; and
- Limiting venue opening hours to a maximum of 12 hours per day.

TasCOSS also strongly supports a public health approach in relation to harm minimisation and general gambling policy. In addition to implementing strategies and initiatives which focus on ‘problem’ users, we support greater investment in measures which use public health and community building strategies to benefit all Tasmanians.

We also believe harm minimisation measures are best addressed and monitored through the Tasmanian Government’s Department of Health, as they are best placed to consider, develop and promote initiatives based on the public health principles.