

Submission: *Tasmanian Liquor and Gaming Commission Public Consultation Paper- Player Card and Cashless Gaming*

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October 2024

Introduction

A universal pre-commitment player card for poker machines in Tasmania will be the most effective intervention in consumer protection introduced to date. Further, it will lead the nation and show that strong consumer protection can be implemented while not curtailing recreational gambling.

While I advocated in the lead up to the 2018 election for the removal of poker machines from community venues, the decision in 2021 by the Liberal Minister for Finance to investigate the effectiveness of a smartcard-based system and facial recognition technology drew widespread community support, and was a step in the right direction.

The subsequent June 2022 report to the Minister by the Tasmanian Liquor and Gaming Commission (TLGC, or the Commission) and the Treasurer's subsequent direction to the Commission to implement a state-wide player card system has led to a proposed system which, if implemented as proposed in the Public Consultation paper, will provide strong consumer protection for Tasmanians.

While there are a few details yet to be explained or developed fully, I support the substance of the Consultation Paper and commend the Commission, the Liquor and Gaming Branch and the Parliament for moving together in the right direction.

Registration for Player Cards

I agree with the proposed processes for registration as outlined on page 5 ("snapshot of the registration process") and page 9 ("Identification requirements").

The Consultation Paper asks at what stages the Player's ID should be checked.

Recommendation 1:

The Player's ID should be checked at the time of card issue, if a card is reissued, when a player asks for an increase from the default loss limits and if a player seeks a payout at the venue. My rationale for ID being checked at these stages is that the system will be new and there may be problems that we have not prepared for, including failure in the robustness of the registration system. Interacting with a human at these stages would help us check that the system is working as expected and also provides important human contact at key moments for the player.

Recommendation 2:

After two years of operation, I suggest the Commission reviews data from the system to recommend whether or not changes in the registration and identification requirements should be made.



Player Activity Statements

I support the proposal that players will be able to view their activity in their Account Portal (web-based, accessed by their computer or personal device).

The Consultation Paper asks whether in addition to the information in an Account Portal, activity statements should be issued as a mandatory or optional requirement, how often they should be generated and what information they should contain. The Liquor and Gaming branch provided me with further details that some information will be displayed on the screen of the poker machine, with specifics yet to be determined.

Recommendation 3:

Information about an individual's spending on poker machines has been completely hidden by industry since the machines were introduced. Unlike real entertainment, patrons are aware of what they have paid for tickets to movies, concerts, and the like because the industry provides them with a statement at the time of purchase.

I call for player activity statements to be mandatory and at the very least issued annually. The statement should contain for that year: the dates gambling occurred, the amount lost in money and time each time as well as the annual totals. The statement must not contain any advertising or promotion but must contain approved messages about the harm caused by gambling and how to seek help.

Recommendation 4:

Information displayed on the screen of the poker machine should include duration and amount lost of the current session. When the player signs out of the machine, there should be notification of where they are at with the daily, monthly and annual limits. This would be similar to the information about account balance provided at an ATM.

Recommendation 5:

I call on the Commission to review after two years of operation the usefulness of the Player Portal and information provided on the poker machine screen and to implement changes as appropriate.

Limit Setting (pre-commitment) of Player Cards

I support the default and threshold loss limits as well as the process proposed on pages 6 and 7 of the Consultation Paper; specifically, that there be limits on maximum loss and maximum time, that play is immediately disabled as soon as a limit is reached, that breaks in play be mandatory and that changes can be made within the default limits by a simple request in the venue.

The Consultation Paper asks if there should be a cooling off period before an increase in a loss limit comes into effect (I assume this is proposed only for increases beyond the default amounts) and what evidence of financial capacity should be provided before an increase in a limit is granted.

Recommendation 6:

Cooling off periods are good consumer practice. For example, Consumer Affairs Victoria explains the benefits of cooling off periods for situations where a consumer may be likely to make "short-sighted or emotion-based decisions" ("[Cooling-off periods in Victoria: their use, nature, cost and implications](#)", page 12).



Further, “Consumers can make poor choices that they later regret when there is a divergence between their short-term and long-term preferences” as a result of “availability bias”, “hyperbolic discounting” (where the consumer is more focussed on short-term gains or losses than the long-term, based often on immediate pleasure overcoming delayed or long-term regret), or “hot states” (decisions made in the heat of the moment) (page 12).

My concern is the lack of detail to date as to who is reviewing the player’s capacity to pay. Even if a cooling off period is mandatory, I do not believe that employees or managers of venues would have the necessary skills to determine a person’s capacity to increase their losses. This ties in with the Consultation paper’s query of what evidence of financial capacity should be considered.

If the player’s capacity is assessed by someone with relevant skills, then I think a 24-hour cooling off period as proposed in the Consultation paper could be adequate, but I see no reason not to set it at 7 days. A cooling off period of 7 days allows the person to have conversations with family if relevant.

Funds in and out of Player Cards, Accounts and Machines

I support the proposed cashless system. That is, no cash can be put directly into a machine; rather the player must load money into their player’s account and then from that account to the machine. Loading of a player’s account can be made in a venue using cash or EFTPOS or through the Player’s Portal. Loading money from credit cards will not be permitted.

The Consultation paper asks whether there should be limits on how much money can be loaded into a player account and onto a poker machine. The paper also asks if there should be ID checks (as well as PIN) when collecting funds and what the maximum cash payouts should be.

Recommendation 7:

There should be limits on how much money can be loaded into a player account. The maximum allowed into the account should be the maximum annual loss limit set by the player. The default limit for this would be \$5000.

Recommendation 8:

There should be a limit on the amount that can be loaded onto a poker machine. Cash input limits for poker machines in all venues in Tasmania is \$500, as per Ministerial Direction (No. 1 of 2009). I encourage this limit be set at the maximum daily loss limit, which would be \$100 for those set at the default limit but could be higher for those who successfully increase their loss limits.

Recommendation 9:

Since part of the rationale for reforms to gambling legislation is to protect society against money laundering, I recommend that the cash payout limit (payable by cheque or electronic transfer) be reduced from \$1000 to \$500.

Please see ***Recommendation 1*** for my response to whether ID should be checked at the time a player collect a payout.



Membership and loyalty Schemes

I have long been concerned about venue memberships and player loyalty schemes because they help industry to push consumer spending in a particular way that benefits the industry. The Consultation Paper provides little direction on how these schemes might interact with a Player Card and the loss limit system.

Recommendation 10:

Once details are finalised for the new card-based system, the Commission should review the current [Responsible Gambling Code of Practice](#) to ensure the requirements for membership and loyalty schemes are consistent across all venues (hotels, clubs and casinos) and match the purpose of the card-based system in minimizing harm. Loyalty or membership should not interfere with the strong consumer protections that the Player Card will introduce.

Exclusions

I am pleased to see that the Player Card system allows a lot of flexibility for the player to enforce breaks on themselves (through time limits or reducing their loss limits) as well as for the system to exclude them for harmful gambling. However, the details for the system-based exclusions are not yet determined. The Liquor and Gaming Branch provided me with further information regarding the possible system, with current thinking being that there will be a transfer of data each day to update the Player Card Gaming system, after which all excluded players will be unable to use their card. The Branch also mentioned they are looking into how to make the exclusion system operate in real time.

Recommendation 11:

The Player Card should be linked to system-based exclusions such that the card cannot be used as soon as an exclusion is activated. Exclusions should continue to be activated by self, venue or third party. Players should also be able to use features to enforce short-term breaks on their use of the machines.

Conclusion

I support the introduction of a universal pre-commitment player card for poker machines in Tasmania as proposed by the Commission and the Treasurer and outlined in the Public Consultation Paper.

This intervention will be the most effective consumer protection intervention ever introduced in Tasmania, and indeed Australia.

While there are a few details yet to be explained or developed fully, I support the substance of the Consultation Paper and commend the Commission, the Liquor and Gaming Branch and the Parliament for moving together in the right direction.

