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Introduction

The Tasmanian Liquor and Gaming Commission is an independent body responsible for the regulation of gaming and wagering activities in Tasmania. The Commission is committed to fostering responsible gambling and ensuring the harm from problem gambling is minimised. Five years ago, the Commission introduced the Responsible Gambling Mandatory Code of Practice for Tasmania (the Code) setting out a variety of measures to achieve gambling harm minimisation that are now well embedded within gambling industry practice. A copy of the Code is available on the Department of Treasury and Finance website at www.gaming.tas.gov.au > Gambling > Reduce harm from gambling > Mandatory Code of Practice.

As required under the Gaming Control Act 1993, the Commission is currently reviewing the Code to ensure that the harm minimisation measures within it continue to be effective, relevant and sufficient.

This Options Paper identifies a range of initiatives that could potentially enhance the Code’s effectiveness in achieving the following desired outcomes (as identified in the Preamble to the Code):

- minimising the harm from gambling and promoting responsible gambling practices in Tasmania;
- gambling environments that are safer, and presenting gambling products in a responsible manner; and
- people having clear information to make informed decisions about their gambling practices.

The Commission has considered and included a number of initiatives in this Paper, which have been sourced from a range of inputs. These include the findings of Phase 1 of the Code Review, being desktop research conducted independently by Tasmanian consultancy firm Stenning and Associates Pty Ltd in March 2017. The Stenning research identifies contemporary gambling harm minimisation policies and initiatives of other Australian and international jurisdictions. It also provides a brief summary of the findings of a number of identified general research studies that are relevant for assessing the effectiveness of various harm minimisation measures. A brief summary of the desktop research by Stenning and Associates is provided in Attachment A of this Paper. A copy of the full Stenning Report is available at www.gaming.tas.gov.au > Gambling > Reduce harm from gambling > Mandatory Code of Practice.

The Commission has also considered:

- extensive and wide-ranging stakeholder opinions on many of these initiatives gained both through regular face-to-face meetings and from views expressed through the written (and oral) submissions to the Parliamentary Joint Select Committee on Future Gaming Markets.
- recommendations of the 2010 Productivity Commission inquiry report into gambling, which arguably provides the most substantive piece of research into gambling that has occurred in Australia for some time.
- the Tasmanian Government’s three commissioned independent studies of the social and economic impact of gambling in the State.

It is important to note that the identified initiatives in this Options Paper are suggested as possible enhancements that might make a difference to minimising harm, but need to be placed within a context of what is achievable and practical in Tasmania and balancing the interests of a diverse group of stakeholders.
Stakeholder Involvement

The Commission invites stakeholders committed to minimising the harm that is associated with gambling to provide feedback on any/all of the initiatives outlined in this Paper. In addition, general comments on the Code and its current harm minimisation measures are also welcomed.

Submissions must be received by 15 September 2017 and lodged in writing by email to gaming@treasury.tas.gov.au or mailed and addressed to:

Mr Greg Partridge
Director
Liquor and Gaming Branch
Department of Treasury and Finance
GPO Box 1374
HOBART TAS 7001

All submissions will be treated as public documents and will be placed on the Department of Treasury and Finance website at www.gaming.tas.gov.au, unless the submission is clearly specified as confidential¹ (in full or part).

The information gained from the consultation process will assist the Commission in completing its assessment of the Code and determining whether enhancements are necessary to build on existing industry practice.

Should you have any queries or require any information in relation to the Options Paper, please contact Melissa Ford on (03) 6166 4310 or email melissa.ford@treasury.tas.gov.au.

¹ Automatically generated confidentiality statements in emails do not suffice for this purpose. Any requests received under the Right to Information Act 2009 to make available submission/s marked ‘confidential’ will be determined in accordance with that Act.
Background

The Responsible Gambling Mandatory Code of Practice for Tasmania establishes rules under which venue operators can offer gambling related products to patrons across the following 10 focus areas:

- advertising;
- inducements;
- player loyalty programs;
- access to cash;
- payment of winnings;
- lighting;
- service of food and alcohol;
- clocks in gaming areas;
- staff training in recognising people with gambling problems; and
- information to players.

The review of the Code is restricted to these areas. However, the Commission reserves the right to consider other matters outside of this current process as appropriate.

A set of Commission Rules supporting the Code details how the harm minimisation practices must be implemented. Compliance with the Code (and Rules) is mandatory for all relevant prescribed licence holders under the Act and non-compliance can result in disciplinary action. A link to the Code and Rules is available at [www.gaming.tas.gov.au](http://www.gaming.tas.gov.au) > Gambling > Reduce harm from gambling > Mandatory Code of Practice.

The Code does not apply to the operations of a Premium Player Program conducted by a casino operator and approved by the Commission. This Program will be the subject of a separate review by the Commission at a later date.
Harm minimisation initiatives for consideration

The Commission is considering making enhancements to the Code in the following areas and asks respondents to comment on any/all of the options provided below in strengthening harm minimisation.

As previously indicated, the Commission has considered a number of sources that have assisted in identifying some of these options. The Commission is conscious of the volume of consultation undertaken with stakeholders recently and does not wish to overwhelm stakeholders by re-prosecuting information and material already in the public domain. As such, the Commission has designed this document to be more streamlined than previous consultations. Links to the key online sources used by the Commission are referenced at the end of the Paper.

1. Advertising

Code definition

*Licence holders must ensure that gambling advertising is conducted in a manner that takes account of the potential adverse impact that it can have on minors, people with gambling problems, people at risk of developing gambling problems and the community.*

Current measures

Overall, current measures for advertising largely provide parameters for what can and cannot be considered when promoting gambling products and ensure particular audience groups are not targeted. There are no restrictions on the location of advertising (although television and radio advertising is prohibited during specific times of the day).

Key Research findings

The Stenning Report referred to a study commissioned by Gambling Research Australia\(^2\) (2014) that examined how gamblers are influenced by electronic gaming machine (EGM) jackpots. The study refers to findings that indicate promoting the size of a jackpot triggers gambling, thoughts of winning and may encourage problem gamblers to gamble more and hinder their recovery.

Options:

1. Limit or ban EGM advertising on the premises except for directional signage (e.g. signs must not be illuminated or contain decorative edging, pictures and symbols that draw immediate attention).
2. Prohibit advertising of jackpots on all signage (external to EGMs). This includes monitors and large LCD screens used to display jackpot prizes.

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2. Inducements

Code definition

Licence holders must not provide specific inducements that may lead to problem gambling or exacerbate existing gambling problems. This includes persuading people to gamble when they wouldn’t gamble normally or gamble outside of their normal gambling patterns.

Current measures

Overall, current measures for inducements largely restrict the type and value of vouchers that can be offered to patrons and other incentives such as alcohol and obtaining prizes. There are no measures relating to inducements offered to licence holders (including staff) or requirements for less obvious enticements that could be considered to persuade people to gamble or gamble more intensely.

Key Research findings

A 2017 study by the Australian Gambling Research Centre\(^3\) concluded the business model currently operating in Australia does not appear to incentivise the enforcement of responsible gambling initiatives due to the interest of operators in maximising profit.

The Stenning Report referred to research commissioned by Gambling Research Australia\(^4\) (2014) that examined how gamblers are influenced by EGM jackpots. The findings suggest that high-value jackpots can encourage risky gambling behaviour and indicates that limiting jackpot size may be a valuable measure to reduce gambling harm. Three states currently regulate win limits for EGMs in hotels and clubs:

- New South Wales - $10 000 for stand-alone machines and $500 000 for multi-terminal gaming machines;
- Queensland - $10 000 for machines with no jackpots and $25 000 for stand-alone jackpots. There are no limits on linked jackpot arrangements, however the highest approved linked jackpot is currently $60 000; and
- South Australia - $10 000.

Submissions to the Parliamentary Joint Select Committee on Future Gaming Markets have represented that sounds of EGMs attract attention (and encourage gambling).

Options:

1. Prohibit gambling operators and Licensed Premises Gaming Licence holders from providing incentives/benefits to licence holders, including staff, to encourage patrons to gamble/re-invest/replay winnings.
2. Limit the amount that can be won on jackpots (similar to thresholds in other states).
3. Ensure that sounds associated with gambling are not audible outside gambling areas.

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\(^3\) Angela Rintoul, Julie Deblaquiere & Anna Thomas (2017): 'Responsible gambling codes of conduct: lack of harm minimisation intervention in the context of venue self-regulation', Addiction Research & Theory, DOI: 10.1080/16066359.2017.1314465

3. Player loyalty programs

Code definition
Player loyalty programs are defined under Commission Rules as a formal arrangement that provides rewards to patrons for participating in gambling at the premises. The Code provides that licence holders who operate these programs must not contribute to the development of problem gambling or exacerbate existing gambling problems.

Current measures
Currently all operators are required to provide player activity statements (where player activity is recorded for player loyalty programs) that show the amount, in dollars, of any expenditure during the period. There are no requirements relating to specific information that must be displayed on membership cards.

Key Research findings
The Productivity Commission (2010) identified gamblers facing difficulties in remembering losses as a risk factor for harm. The data demonstrated that people significantly underestimate their gambling spending, which is particularly relevant for developing policies such as player activity statements.

Options:
1. Activity Statements must provide players with concise and meaningful information. At a minimum, Statements must:
   (a) provide players with full information about their gambling history including: turnover, number of hours spent at EGMs, win/loss record for an identified reporting period as well as lifetime tally of same information;
   (b) be delivered to players' home postal addresses;
   (c) not be distributed to persons who have not gambled within the statement period (to prevent triggering an urge to gamble); and
   (d) not contain gambling advertising and any other extraneous information not pertinent to the gambling record of the player.

4. Access to cash

Code definition
Licence holders must undertake practices to help minimise the potential for people to spend more than they intended by limiting the:

- opportunity to make impulsive withdrawals of cash; and
- amount of cash that may be accessed at the venue.

Current measures
Current measures for accessing cash require in particular that:

- all venue and casino operators must:
  - ensure each patron is limited per day to one EFTPOS cash withdrawal transaction up to a maximum $200 for gambling purposes; and
- check whether a person is excluded from gambling before a cheque is cashed for gambling purposes (this requirement does not apply to other forms of cash),

- casino operators must also ensure each patron is limited per day to ATM withdrawals up to a maximum $400 from debit and credit cards (ATMs are only permitted in casinos and must not be visible from any gaming area and must not be located within 20 metres from a gaming area entrance); and

- hotel/club operators must also ensure each patron is permitted to cash only one cheque for gambling purposes per day for a maximum amount of $200 (no restrictions apply to ‘approved cheque cashing facilities’ at casinos).

The Commission Rules require that all gaming machine premises provide a coin change area controlled by staff where patrons can exchange money for gaming purposes. These facilities must be under digital recorded surveillance. Over time, some hotels and clubs have introduced ‘self-service’ stand-alone coin change dispensing machines to enable patrons to exchange bank notes for dollar coins to play EGMs. There are currently no restrictions on these machines.

Key Research findings

Both the Productivity Commission (2010) and the Third SEIS (2015) found that relocating ATMs away from gaming floors would help some gamblers, but the net benefits of removing ATMs entirely from venues was uncertain. The Reserve Bank of Australia data\(^5\) shows that cash usage in the community has fallen significantly since the Productivity Commission report. This could indicate reduced demand for cash to facilitate non-gaming purchases both within venues and outside.

Victoria’s most recent prevalence study (Hare, 2015\(^6\)) found that accessing cash during a gambling session was associated with problem gambling risk. Moderate risk and problem gamblers were significantly more likely to access cash from EFTPOS and also withdraw larger amounts of money than other gamblers. Over a 12 month period, the mean withdrawal amount for problem gamblers was $317.93 at a withdrawal frequency of 3.46 per session, compared to $65.56 for non-problem gamblers at 0.14 per session.

Options for all venues and casinos:

1. For EFTPOS withdrawals, require staff to check the patron’s identity against the Tasmanian Gambling Exclusion Scheme and also maintain a register of cash withdrawals to identify multiple withdrawals (for example, recording last four numbers on a card).

2. Prohibit cashing of cheques on licensed premises.

Options for casinos only:

1. Regardless of whether cash is accessed through ATM or EFTPOS, withdrawal limit is $200 per patron per day for any purpose.

2. Relocate ATMs so that staff are in a position to observe usage (e.g. near reception).

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Options for hotels/clubs only:
1. Permit one EFTPOS withdrawal at a maximum $200 or $100 per patron per day for any purpose.
2. (a) Require coin change machines to be located behind the bar forcing patrons to interact with staff to exchange money; and 
   (b) require staff to check identification against the Tasmanian Gambling Exclusion Scheme before providing the cash exchange.

5. Payment of winnings

Code definition
Licence holders must undertake practices to help minimise the potential for people to spend more than intended by:
- checking the Tasmanian Gambling Exclusion Scheme database before winnings are paid;
- discouraging people from using large winnings to continue gambling;
- discouraging people from gambling longer than intended and accumulating losses; and providing people with a cooling off period after large wins.

Current measures
Current measures for payment of winnings require, in particular, that all operators must ensure:
- the maximum cash limit for keno and EGM payouts is $1000;
- keno and EGM payouts above $1000 are paid by cheque;
- cheques for the payment of winnings:
  - have the words “Gaming Machine Payout” or “Keno Payout” on the front of the cheque; and
  - are not cashed on the same trading day they are issued (this does not apply to international casino customers).

There are no requirements for winnings to be electronically transferred.

Key Research findings
The Second SEIS (2012) cited evidence that problem gamblers were unlikely to cash their cheques to continue gambling, but were more likely to gamble their winnings. In the Third SEIS (2015), evidence was presented suggesting that large winnings paid in any method that could not be instantly re-gambled was rated as highly recommended by responsible gambling experts, treatment providers and recovered problem gamblers.

Options:
1. Reduce the maximum cash limit for Keno and EGM payouts to $500.
2. (a) Require winnings above $500 to be transmitted electronically to the player’s bank account.
   (b) If bank details are unavailable, by exception, allow a cheque for winnings to be drawn but crossed “Account Payee Only, Not Negotiable”.
6. Service of food and alcohol

Code definition
Licence holders must limit the service of food and alcohol to people while playing gaming machines to create more opportunities for people to take a break from gambling.

Operators must prevent people who appear intoxicated from gambling at the venue as their ability to make informed decisions around gambling may be reduced.

Current measures
Current measures require in particular that all operators must ensure that patrons seated at, or playing EGMs, are not served food or alcohol between 6:00pm and close of gambling. There are currently no requirements relating to fully automated table gaming equipment.

Key Research findings
The Second SEIS (2012) cited some evidence that restricting the use of alcohol while gambling would have significant potential as a harm minimisation strategy for problem gamblers.

Options:
1. Prohibit the serving of alcohol to patrons seated or standing at EGMs at any time.
2. Prohibit alcohol being served at fully automated table gaming equipment, unless being conducted by a dealer.

7. Information to players

Code definition
Licence holders must ensure that people are provided with information about gambling, regulatory requirements for gambling and gambling support services so that they can understand the nature of gambling and make informed decisions about participating in gambling.

Current measures
Overall, current measures require certain information to be accessible to players (e.g. responsible gambling, problem gambling assistance, gambling exclusion and losing/winning information). There are no requirements for specific information to be displayed next to EGMs.

Key Research findings
The Stenning Report found that signs placed on electronic gaming machines may have minimal ability to alter behaviour. However, approaches that use emotional imagery, emotion-laden content and self-set messages may be more effective.

Both the Productivity Commission (2010) and the Third SEIS (2015) supported gaming machine players being informed about the cost of playing through disclosure of the ‘expected’ hourly expenditure and the percentage cost of play. Initially, this could be achieved with a sign fixed to all EGMs, showing the percentage cost of play and the expected hourly cost of play.

Footnote: 
7 Fully automated table gaming is yet to enter the Tasmanian gaming market. This measure is pre-emptive to align with EGM requirements by ensuring that alcohol is not served at fully automated equipment.
**Options:**

1. Require “emotional response” messages to be displayed prominently next to EGMs (e.g. “the odds are the longer you play, the more you will lose”).

2. Require signs to be displayed next to EGMs that clearly inform the player of:
   - the cost of play (the theoretical loss per hour based on maximum bet and spin rate); and
   - the house edge for each machine.

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**Additional comments welcome**

There are other initiatives/areas within the existing Code that have not been addressed. Stakeholders are invited to provide any comments on existing measures where it is seen that they are effective/ineffective or obsolete.

Additionally, please identify any other measures that might make a difference in minimising the harm associated with gambling in the areas related to the Code.
Attachment A - Summary of desktop research by Stenning and Associates

The Stenning Report, *Contemporary gambling harm minimisation policies and initiatives - A Desktop review*, provides a systemic analysis of the Code measures against comparable gambling controls in other jurisdictions. The comparison jurisdictions were all Australian states and territories, and the following countries:

- Republic of Singapore;
- Hong Kong (China);
- Canada (Province of British Columbia);
- New Zealand;
- Republic of South Africa (Province of Western Cape); and
- United Kingdom of Great Britain and Northern Ireland.

Analysis of the key differences between Tasmania’s measures and other jurisdictions showed that in some areas Tasmania’s measures are more stringent, while in others they are less robust.

The most common areas where Tasmanian measures appear to be less stringent than other jurisdictions include:

- advertising restrictions and prohibitions – general;
- cheque cashing restrictions;
- interaction with problem gambling support services;
- provision of information in different languages; and
- provision of gambling contact officers.

The analysis highlighted that there is a significant proportion of the Tasmanian measures that appear to be more comprehensive in their coverage and more stringent than those in the other jurisdictions. The exceptions were in relation to controls in the areas of advertising and information to players.

The Commission is not surprised that the measures are considered comprehensive and, in many instances, somewhat broader than other jurisdictions. This is because the original development of the Code used a best practice approach incorporating elements contained in other jurisdictional controls that were considered of most importance. Stenning’s current research suggests that other jurisdictions have not significantly adjusted their controls since the Code was originally released in 2012.
Attachment B - References


3. Three independent Social and Economic Impact Studies of Gambling in Tasmania, consisting of:


   - *The Second Social and Economic Impact Study of Gaming in Tasmania*, The Allen Consulting Group in collaboration with external experts, released 2012; and

