

# TASMANIAN LIQUOR AND GAMING COMMISSION PREMIUM PLAYER PROGRAM (PRE-COMMITMENT) LIMIT SETTING STANDARDS

## THE STANDARDS BELOW APPLY AS OF 1 MARCH 2021

### 1. RESPONSIBILITY

- 1.1 The Tasmanian Liquor and Gaming Commission's limit setting standards apply to the conduct of a Premium Player Program (PPP) with pre-commitment functionality operated by a casino licence holder.
- 1.2 A casino licence holder is responsible for ensuring the following standards are met in relation to the conduct of pre-commitment limit setting for electronic gaming machine (EGM) gambling and are referred to in the rules for Premium Player Program (Pre-commitment) (Rule 3.2) made by the Commission under section 91 of the *Gaming Control Act 1993*.

### 2. DEFINITIONS

- 2.1 For the purpose of these standards the following definitions apply:

- **Abnormal loss increase:** where a prospective member/member (with the immediate preceding three years of gambling loss data) shows an increase of 100 per cent or more in their annual gambling loss in the most current (third) year compared to the average gambling loss of the first and second year\*.
- **Average annual gambling loss (AAGL):** a member/prospective member's most recent three year's gambling loss total divided by a divisor of three (from a Tasmanian or interstate casino).
- **Limit:** a pre-committed annual loss limit that applies to gambling on EGMs.
- **Limit Anniversary Date:** the date of annual recurrence when the patron became a member of the PPP (Pre-commitment) and set their first limit.
- **Limit term:** a period of 12 months commencing from the Limit Anniversary Date.
- **Non-Tasmanian resident:** a patron who has produced reliable and independent evidence indicating that they reside outside of Tasmania.
- **Relevant exclusion:** is a gambling exclusion that applies to electronic gaming machines.
- **Responsible gambling concerns:** issues of concern that the player has experienced difficulties controlling their gambling (concerns including but not limited to: behavioural, feedback, player pattern) over the past three years that have been identified from any source (including but not limited to: the casinos, the Liquor and Gaming Branch or the Tasmanian Liquor and Gaming Commission).

\*Where the prospective member has an annual gambling win for the first or second year, the third year must only be compared to a year in which an annual loss occurred and a winning year ignored.

- **Return to player:** the ratio of total EGM wins (including progressives and other features) to the total turnover in a game cycle (note gamble bets do not affect turnover and total wins is only affected by the final gamble outcome).
- **Tasmanian Gambling Exclusion Scheme:** is a scheme that provides a means for people to be excluded from gambling venues or from participating in gambling in Tasmania.
- **Tasmanian resident:** a patron who has produced reliable and independent evidence indicating that they reside within Tasmania.
- **Turnover:** is the total amount gambled on EGMs, including any re-gambled winnings.

### 3. LIMIT SETTING CATEGORIES FOR TASMANIAN RESIDENTS

3.1 At application and renewal, a prospective member who is a Tasmanian resident must be allocated a limit setting category based on the limit requested by the prospective member and an assessment process undertaken by the casino operator. The casino operator must then follow the limit setting process and approval requirements according to the category.

3.2 The limit setting categories for prospective members are as follows:

| Category | Initial limit requested   |
|----------|---|
| 1        | <p>a) A limit that is less than; equal to; or up to \$10 000 above a prospective member's AAGL amount.</p> <p>A prospective member seeking a limit that falls within this category cannot have had a Tasmanian Gambling Exclusion Scheme (TGES) exclusion (or have self-reported a relevant exclusion in another Australian jurisdiction); have responsible gambling concerns or have an abnormal loss increase.</p>  |
| 2        | <p>a) A prospective member who has not had a TGES exclusion (or a self-reported relevant exclusion in another Australian jurisdiction); does not have a responsible gambling concern; has not had an abnormal loss increase; and seeks a limit that is between \$10 001 and \$30 000 more than the prospective member's AAGL amount; or</p> <p>b) A prospective member has had a TGES exclusion (or a self-reported relevant exclusion in another Australian jurisdiction) and/or has responsible gambling concerns; and/or an abnormal loss increase; and seeks a limit that is less than, equal to or up to \$10 000 above their AAGL amount.</p>   |
| 3        | <p>a) A prospective member who has not had a TGES exclusion (or a self-reported relevant exclusion in another Australian jurisdiction); does not have responsible gambling concerns; has not had an abnormal loss increase; and seeks a limit that is more than \$30 000 above the patron's AAGL amount; or</p> <p>b) A prospective member has had a TGES exclusion (or a self-reported relevant exclusion in another Australian jurisdiction) and/or* has responsible gambling concerns and seeks a limit that is between \$10 001 and \$30 000 more than the prospective member's AAGL amount.</p> <p>*A prospective member with an abnormal loss increase cannot seek a limit above \$10 001 of their AAGL amount.</p> |

### 3.3 The limit setting categories for renewing members are as follows:

| Category | Renewing limit sought  |
|----------|--|
| 1        | <p>a) A limit that is less than or equal to the current limit; or</p> <p>b) A limit that is up to \$10 000 above the current limit or a limit that is not more than double the member's AAGL amount (whichever is lower).</p> <p>A member seeking a limit in this category cannot have had a TGES exclusion (or a self-reported relevant exclusion in another Australian jurisdiction); or have responsible gambling concerns; or have reached their limit in the previous year.</p>   |
| 2        | <p>a) A member has not had a TGES exclusion (or a self-reported relevant exclusion in another Australian jurisdiction); does not have a responsible gambling concern; has operated within their current limit in the previous year; and seeks a limit that is between \$10 001 and \$30 000 above their current limit or seeks a limit that is more than double the member's AAGL amount (whichever is lower); or</p> <p>b) A member that has had a TGES exclusion (or a self-reported relevant exclusion in another Australian jurisdiction); and/or reached their limit in the previous year; and/or has a responsible gambling concern; and seeks a limit that is up to \$10 000 above their current limit or a limit that is not more than double the member's AAGL amount (whichever is lower).</p> |
| 3        | <p>a) A member has not had a TGES exclusion (or a self-reported relevant exclusion in another Australian jurisdiction); does not have a responsible gambling concern; has operated within their current limit in the previous year; and seeks a limit that is above the Category 2(a) limit; or</p> <p>b) A member has had a TGES exclusion (or a self-reported relevant exclusion in another Australian jurisdiction); and/or reached their limit in the previous year; and/or has a responsible gambling concern; and seeks a limit that is between \$10 001 and \$30 000 above their current limit; or a limit that is more than double the member's AAGL amount (whichever is lower).</p>  |

## 4. CALCULATING AVERAGE ANNUAL GAMBLING LOSS

4.1 A prospective member's/member's AAGL is to be calculated by dividing the total amount of money lost by a prospective member/member on EGMs over the immediate preceding three year period (or lesser period<sup>1</sup>) by a divisor of three\*.

## 5. CALCULATING EXPECTED AVERAGE ANNUAL GAMBLING LOSS

5.1 The AAGL may be replaced with the expected AAGL only where the prospective member/member:

- a) has a return to player ratio of 94 per cent or higher (over the preceding three year period, or lesser period; and
- b) has a limit setting category of Category 3.

5.2 A prospective member's/member's expected AAGL is to be calculated as nine per cent of the prospective member's/member's annual turnover over the immediate preceding three year period (or lesser period) and dividing by a divisor of three.

<sup>1</sup> Lesser period: to be used where a full three year period of data is unavailable.

## **6. LIMIT SETTING PROCESS FOR TASMANIAN RESIDENTS**

- 6.1 At admission or renewal, the Responsible Gambling Manager or PPP Host must meet with a Category 1 prospective member/member to discuss the requested limit.
- 6.2 At admission or renewal, the Responsible Gambling Manager must meet with Category 2 and Category 3 prospective member/member to discuss the requested limit.
- 6.3 A limit for Category 1 prospective members/members must be approved by the Responsible Gambling Manager or PPP Host.
- 6.4 A limit for Category 2 and 3 prospective members/members must be recommended by the Responsible Gambling Manager and then approved by a more senior authorised person independent of the gaming operations.
- 6.5 In determining an approval of a limit for Category 2 prospective members/members, the casino operator must apply the reasonable person test to its decision making and document the reasons for its decision.
- 6.6 An approval of a limit for Category 3 must include the collection of hard financial data or third party certification from a suitably qualified professional to verify that the requested limit amount is financially sustainable for the prospective or renewing member.
- 6.7 In determining an approval of a limit for Category 3 prospective members/members, the casino operator must apply the reasonable person test to its decision making and document the reasons for its decision.
- 6.8 A Tasmanian PPP member must not increase their limit unless it is in conjunction with an annual renewal process.
- 6.9 If a PPP member has not reached their limit and requests a limit reduction, the casino operator must undertake the limit reduction change within 24 hours of the request.

## **7. LIMIT SETTING PROCESS FOR NON-TASMANIAN RESIDENTS**

- 7.1 At admission or renewal, the Responsible Gambling Manager or a PPP Host must meet with a non-Tasmanian prospective member/member to discuss the requested limit.
- 7.2 In determining an approval of a limit, the casino operator must apply the reasonable person test to its decision making and document its reasons for its decision.
- 7.3 If a non-Tasmanian PPP member has not reached their limit and requests a limit increase, following the seven day cooling off period referred to in 7.6 below, the casino operator must apply the reasonable person test to its decision to allow the limit increase. Changes to the limit amount will not alter the Limit Anniversary Date.
- 7.4 The casino operator must complete the appropriate financial and sustainability declaration requirements (refer to Rule 3.1h) when undertaking a limit increase for a non-Tasmanian PPP member when not part of a membership renewal process.

- 7.5 If a non-Tasmanian PPP member has not reached their limit and requests a limit reduction, the casino operator must undertake the limit reduction change within 24 hours of the request.
- 7.6 A request for an increase in the limit amount will not be effective until after the period of seven days following the submission of the request to the casino operator.

## LIQUOR AND GAMING CONTACT DETAILS

Salamanca Building Parliament Square  
4 Salamanca Place HOBART TAS 7000  
Telephone: (03) 6166 4040 Facsimile: (03) 6173 0218

Level 3 Henty House | Civic Square LAUNCESTON TAS 7250  
Telephone: (03) 6777 2777 Facsimile: (03) 6173 0218

GPO Box 1374 HOBART TAS 7001 Australia  
Email: [gaming@treasury.tas.gov.au](mailto:gaming@treasury.tas.gov.au) Web: [www.gaming.tas.gov.au](http://www.gaming.tas.gov.au)

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