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**Submission to the Parliament of Australia  
Joint Select Committee on Gambling Reform  
Inquiry into Pre-commitments Schemes**

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January 2011

*Report prepared on behalf of the COSS network by*



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Prepared by the South Australian Council of Social Service on behalf of the network of national, State and Territory Councils of Social Service.



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# Executive Summary

The network of Councils of Social Service in Australia endorses the Productivity Commission's finding that public health and consumer protection frameworks provide the best basis for coherent and effective gambling policies. In this context, we support a universal and mandatory pre-commitment scheme as it would play a key consumer protection role (transparency of costs/expenditure), and a public health (educative) role applying not only to problem gamblers but also addressing potential detriments to gamblers more generally. However, the COSS network is also clear that pre-commitment is only one of a number of interventions in the gambling environment required to minimise harm from gambling. The most important and immediate of these interventions would be:

- Limiting operating hours
- Limiting total spend
- Limiting access to ATMs and imposing withdrawal limits
- EGM warning signage
- Industry Code of Practice
- Duty of Care Provisions
- Education of young people

These are outlined further in the Appendix to this submission, but the submission focuses primarily on pre-commitment schemes.

The consumer protection and public health approach has implications for the design and parameters of any pre-commitment scheme. To fit these consumer protection and public health roles, **a pre-commitment scheme would need to be universal and mandatory, and would contain the following features:**

- Support and incorporate self-exclusion measures into the system (including, in particular circumstances, third party exclusions)
- Has strong default settings
- Provide useful, accessible consumer information on money and time spent gambling over a period, with monthly statements and in-built prompts to the gambler
- Have flexibility and teeth programmed in favour of harm minimisation, preventing gamblers going back on their pre-commitments
- Have no-limits as an option, but with regular (at least weekly) queries about re-setting the value
- Have small value pre-paid cards which allow low-intensity play for occasional gamblers
- Include standard identification measures to avoid identity fraud, and ensure only one card is issued per gambler
- Ensure player's privacy
- Be simple to understand and use.

The COSS network notes a number of arguments put forward against the implementation of a pre-commitment scheme with these types of features. However, we believe that the cost of implementation can be managed and should be viewed in the context of the revenue derived from Electronic Gaming Machines and the social costs of gambling. We also believe that the concerns about the impacts on gaming machine revenue are misplaced, and that privacy and civil liberties concerns, while important, can be managed and are not a terminable problem for the scheme.

## The COSS network

The Councils of Social Service across Australia are the peak bodies at the state, territory and national level for the non-profit social services sector. Our members comprise community service providers, professional associations, and advocacy organisations.

We provide:

- independent and informed policy development, advice, advocacy, and representation about issues facing the community services sector;
- a voice for and with Australians affected by poverty and inequality; and
- a key coordinating and leadership role for non-profit social services across the country.

We work with our members, clients and service users, the sector, governments, departments and other relevant agencies on current, emerging and ongoing social, systemic and operational issues.

This submission draws on our collective policy expertise and experience advocating on behalf of those most affected by problem gambling. Our sector works closely with individuals, families and communities affected by problem gambling, and we are at the forefront of efforts to address gambling related harm across the country. The Councils of Social Service share a commitment to continued work with the gambling industry and governments to collaboratively address issues around responsible gambling.

From the Terms of Reference and the information published by the Committee at [http://www.aph.gov.au/Senate/committee/gamblingreform\\_ctte/precommitment\\_scheme/info.htm](http://www.aph.gov.au/Senate/committee/gamblingreform_ctte/precommitment_scheme/info.htm) , we understand that the initial primary focus of the Committee's inquiry will be into a system of pre-commitment in relation to electronic gaming machines (EGMs). Accordingly, this submission is mostly directed to that issue. However, it is important to put arguments about pre-commitment into a broader framework of gambling regulation. Pre-commitment is indeed only one, albeit significant, measure available in the suite of harm minimisation controls needed to reduce the incidence of problem gambling and protect consumers.

# Framework

## Public Health Approach

The COSS network broadly recognises that gambling is a legal and legitimate leisure pursuit in Australia, and that the gaming industry is a sector that contributes to the community and the economy through the success of their products and services. However, the network and COSS members are noticing increases in:

- the numbers of problem gamblers
- referral rates for problem gamblers seeking help from gambling help services
- clusters of gaming venues in low socio-economic areas
- technological and design changes that increase the likelihood of problem gambling behaviours developing.

We are concerned about growing social, emotional, psychological and financial impacts of gambling for individuals, families and communities. In response to this, the community sector is advocating for government to view gambling as a public health issue. The public health perspective allows for an exploration of the individual biological and behavioural elements of problem gambling (the current approach), but can also identify and ameliorate the social and economic determinants of problem gambling behaviour; for example unemployment, poverty, and the effects of co-morbid elements such as alcohol, drugs and cigarette smoking (Shaffer 2003). While state governments in Australia have tended to view problem gambling as an individual issue, international governments have been adopting a public health approach to problem gambling which allows them to focus more upon population health, prevention, and early intervention in public policy development (Wynn 1997, cited in Messerlian and Deverensky 2005).

The Productivity Commission provides a useful discussion of the public health approach to gambling (2010: p 3.17) and finds that:

Public health and consumer policy frameworks provide *the best basis* for coherent and effective gambling policies, emphasising the importance of addressing the gambling environment as well as gamblers' behaviour. (Productivity Commission, 2010: p 3.1) [Emphasis added]

Against this background, the COSS network suggests that the *prevention* of problem gambling behaviour must be given a high priority, in much the same way that hugely successful long-term public health campaigns have been run for cigarette smoking within the community.

This has two major implications for any pre-commitment system for EGMs. Firstly, in this framework, pre-commitment has a key consumer protection role (transparency of costs/expenditure) and a public health (educative) role that applies not only to problem gamblers but can also address potential detriments to gamblers more generally. The very fact of having to go to a card or some other mechanism, rather than cash, carries with it a recognition of the special nature of gambling spending. Smart-card pre-commitment systems can also carry further mind prompts as well as specific consumer spending information. These are key interventions in the "gambling environment" (to use the Productivity Commission's words) and for this reason the COSS network supports pre-commitment in principle, and suggests that submissions to the Committee noting the relatively few numbers of identified problem gamblers (e.g. ALH Group, 2011) and/or that pre-commitment may only be effective for a minority of gamblers or may not address problem gambling (e.g. ALH 2011, Blaszczyński & Gainsbury, 2011) are missing the point of the important consumer protection and public health roles possible from a pre-commitment system. However, we also note that

the consumer protection and public health approaches will have implications for the design of a pre-commitment system (discussed further below).

The second implication of this broad framework is that pre-commitment is only one part of broader approach to public health gambling regulation. Pre-commitment is not a panacea and, even if a successful pre-commitment system is designed and implemented, other interventions in the gambling environment will still be required to minimise harm from gambling. The Productivity Commission canvasses a number of these options (PC, 2011: p 3.19) and the COSS network suggests that the most important and immediate interventions would be:

- **Limiting operating hours**
- **Limiting total spend**
- **Limiting access to ATMs and imposing withdrawal limits**
- **EGM warning signage**
- **Industry Code of Practice**
- **Duty of Care Provisions**
- **Education of young people**

These are expanded on in Appendix A to this submission, and the COSS network would be happy to address these issues further after the Committee's initial focus on pre-commitment schemes.

## Pre-commitment Schemes

As noted above, the COSS network supports pre-commitment schemes as part of a public health approach to minimize gambling harm. These key consumer protection and public health roles in informing and helping to empower gamblers to make informed decisions are the primary purpose of pre-commitment, but we also note that, in the words of Blaszczyński and Gainsbury (2011) "pre-commitment strategies will no doubt exert a positive influence on an unknown minority of regular recreational and problem gamblers". That is to say, while the primary focus is on broad preventative roles and changing the gambling environment, pre-commitment may provide important support for some problem gamblers who are trying to limit their gambling. Even if this is a minority, any impacts on even a minority of problem gamblers, their families and the broader communities should not be underestimated.

### Self-exclusion

As the Productivity Commission has noted (2010; pg 10.6), self-exclusion is an extreme form of pre-commitment where gamblers can bar themselves from one or more venues. In effect, they pre-commit not to gamble (or not to gamble at particular venues). This is a major pre-commitment from any gambler and the decision should be respected and supported. We support the Productivity Commission Recommendations 10.1 – 10.3 and believe that the self-exclusion schemes need to be promoted and incorporated into existing and planned public health campaigns. This would promote the schemes outside of gambling venues, but EGMs should also be programmed to scroll messages advertising self-exclusion.

As part of a pre-commitment system, self-exclusions should be built into the technology that delivers pre-commitment. This will require both that a gambler can't access a new pre-commitment card (or whatever the device) for the period of their self-exclusion or, in the case of venue-specific self-exclusion, that the card can't be used in particular venues pre-agreed by the gambler.

Further, we note and welcome the Productivity Commission recommendation (10.2) that, subject to safeguards, there should be capacity for family members to apply for third party exclusions and for nominated venue staff to initiate exclusions of gamblers on welfare grounds. This reflects both the impact of gambling on families and the responsibilities and appropriate duty of care of venues, but it will require that any electronic pre-commitment system can handle these types of applications. As above, in these particular cases, this will mean limiting the issuing of cards and being able to program exclusions over the top of the gamblers' self-selected preferences.

## Card-schemes

While self-exclusion is a crucial pre-commitment option, the COSS network recognises that other more flexible pre-commitment options are also needed to allow gamblers to limit or minimise gambling harm while still being able to participate in the activity. There are a range of options and decisions to be made in designing and implementing a pre-commitment system, but we believe that the system must be engineered with the consumer protection and public health benefits in mind. In practice, given the consumer information and educative functions we see as vital (and the primary point of) a pre-commitment system, we believe that a smart card (or other device) system is necessary and will ultimately represent better value and be more effective than cheaper systems.

The COSS network would support a system that operated broadly in the way the illustrative system described by the Productivity Commission (pg 10.35) operated. The key elements of this scheme are that:

- **it is universal**, that is, it applies to any machine in any venue (see further discussion below).
- **it has default settings** that can have educative functions (e.g. forcing a gambler to at least note to themselves the difference between their expenditures and some externally imposed standard) as well as making the system easier to use (as it can be used with no change to the settings).
- **it provides information** on money and time spent gambling over a period. The COSS network suggests that as well as information on expenditure requested by the gambler, the system should issue monthly statements of expenditure, and the system should also be able to be programmed to set reminders that change the gambling environment by imposing external prompts to gamblers either in relation to their gambling expenditure and activity or other external commitments (e.g. appointments, work, etc). Obviously all information should be in easily accessible language, including for those with low English literacy levels.
- **it has both flexibility and teeth programmed in favour of harm minimisation**, that is, it has flexibility to lower gambling limits or self-exclude for a set period, but prevents gamblers going back on their pre-commitment by enforcing the pre-committed limits through exclusion. The COSS network also suggests that (after the original setting) any increase in daily or monthly limits must require at least 24 hours notice before taking affect.
- **it allows no-limits as an option, but periodically queries the gambler**, again advancing positive consumer choice and having an educative effect via the prompting questions. Where a no-limit is selected we believe that at a minimum a reminder prompt about re-setting the limit is provided on a weekly basis.



- **it has small-value pre-paid cards that allow play at a low intensity level**, which limit the impact on the very occasional gamblers and the revenue venues get from those “loose change” gamblers, and potentially could limit the implementation costs (venues could choose to keep machines without the pre-commitment technology as long as they were only operable at low-intensity levels).

The specific recommendations of the Productivity Commission (the dot points in recommendation 10.4) add to this the following important and useful features:

- **include measures to avoid identity fraud**, which we take to imply that only one pre-commitment device would be available per person and that it is not transferable;
- **ensure player’s privacy**, which we take to mean that at a minimum, unless consent is provided, information identifying individuals should not be available for regulators, venues and other parties.
- **be simple for gamblers to understand**, to which we would add that it must be simple to understand for all users, including those from Aboriginal and culturally and linguistically diverse backgrounds, and those with low literacy levels.

Again, the COSS network would endorse all these elements as being essential in an effective pre-commitment system.

The Productivity Commission has recommended a phase-in of a universal pre-commitment following trial of voluntary or partial schemes. While the COSS network is comfortable with some transition period, there should be no doubt that the goal should be a system that is universal and mandatory. Voluntary pre-commitment schemes that have been trialed to date have shown very limited take-up, and any scheme that is not universal does not have the consumer information or public health/educative functions applying to all gamblers

Partial or non-mandatory schemes have inbuilt contradictions that limit their usefulness. Effectively asking gamblers to opt-in stigmatizes those using pre-commitment as having gambling problems (rather than simply being responsible or having full information). Further, the integrity of the scheme is undermined if the scheme does not apply to all machines in all venues (except for ‘safe’ low intensity machines). Gamblers could simply hold multiple pre-commitment cards/devices in multiple venues, which undermines the integrity of the information provided and effectively voids the exclusions from exceeding the spend limits. In the heat of the moment gamblers could also by-pass their pre-commit limits by gambling on EGMs outside of the pre-commitment card, either by using cash machines in the same venue or moving to different venues with no or different schemes.

The system must be universal and mandatory.

## Responses to Industry Arguments

There have been a range of arguments put forward against the implementation of the type of pre-commitment scheme outlined above. We have noted above that some of these critiques miss the mark by focusing on problem gambling rather than the crucial public health and consumer protection aspects of the system, but other issues raised include the costs of implementation, impacts on recreational gamblers, the potential loss of revenue to venues (and the community) and privacy concerns.

### Cost of implementation

There is no doubt that there will be upfront capital costs involved in implementing a universal pre-commitment scheme as each machine would require a card/USB or other device reader and a new interface, with extra costs associated with software and networking. The Productivity Commission noted costs of the Maxetag system as around \$1500 per machine, while the Queensland trials were around \$1 to \$2 per machine per day (PC, 2010: pg C.23). In his submission to this inquiry, Associate Professor Paul Delfabbro (2011) noted industry estimates that the cost could be as high as \$12,000 per machine if software and hardware was required and \$25,000 if the whole machine needed to be replaced. However, with the widespread use of loyalty programs, many machines are already partly set up and Delfabbro estimates that some 25% of machines would only require a software upgrade at about half the upgrade price. A further 25% of machines would require a software and hardware upgrade meaning that only 50% of machines would need replacing. Estimates provided to the committee from a number of clubs appear to be in the range of \$4,000 - \$6,000 per machine.

While these costs are considerable, they need to be put into context. Submissions to the Committee from various clubs provide information on total gaming revenue, costs of upgrades and/or number of EGMs from which we have calculated their revenue per machine. Club Central Menai uses a “conservative estimate” of upgrade costs of \$4,000 per machine, which we calculate to be 7.2% of the income from each of their machines for one year (\$55,058 per machine). The Belmont 16-foot Sailing Club uses an estimate of \$5,000 per machine, which by our calculation works out at 16% of one year’s revenue (\$30,016) from each machine. The Merimbula RSL estimates their upgrade costs at over \$6,000 per machine, which is about 14% of each of their machines’ revenue of \$41,266 for one year.

Against these costs, there may also be considerable off-setting savings associated with a move to what is in effect cashless gaming. There are also savings in staffing time, in limiting machine downtime required in re-filling coin stocks, as well as the savings in not having cash assets sitting in machines. The South Australian Independent Gambling Authority (2005) notes that one international casino that introduced smartcard cashless gaming to all of their machines reduced operating costs by 40%. Another operator, Harrah’s entertainment (a US casino company), asserted that changing only one third of their machines to a cashless system garnered a 15% cost saving (Nisbit, 2003).

Overall, our analysis is that the costs of putting the technology onto EGMs, if they are in the cost range suggested, are significant, but they are a one-off cost which is still only a small proportion of the revenue generated from the machine each year. Further, given that EGMs have a natural replacement cycle (which can vary from 6-12 years), should a decision be reached quickly on the preferred technology a large number of compatible machines would

be made available through natural attrition and replacement in the next four years. In any case, the costs of implementation could be spread over a number of years through the phase-in period, but the government may also look at providing low-interest loans or other mechanisms to help spread the costs over a period.

Finally, we suggest that any costs in relation to the pre-commitment system need to be balanced against the social costs of gambling, which the Productivity Commission estimated at between \$4.7 and \$8.4 billion for one year (PC, 2010, pg 6.36). From this, the Productivity Commission concluded that “the net benefits of gambling could be much larger if governments reduced the costs through effective prevention and harm minimisation policies”. (Finding 6.3, pg 6.42). We see a universal and mandatory pre-commitment scheme as one such prevention and harm minimisation policy.

### Impacts on Recreational Gamblers

Much has been made through public statements by representatives of the Gambling Industry about the negative impact a compulsory pre-commitment scheme may have on recreational gamblers (eg. ALH, 2011). The argument made is that systems which require pre-registration and constant prompting will likely diminish the enjoyment experienced by recreational gamblers and result in patrons withdrawing from this form of entertainment. We have addressed elsewhere in this submission what we believe to be reasonable measures to ensure that any system of pre-commitment is simple, easy to use and not taxing on gamblers. There is no doubt that any new system introduced will require an initial adjustment by gamblers but there is no evidence to suggest that, if carefully managed, it will in any way deter recreational gamblers from participation. There are many other precedents in which broad-based consumer protection measures have been introduced which, whilst taking a period of adjustment, have now become commonly accepted practice. For instance the introduction in jurisdictions of protective helmets for cyclists has quickly become accepted practice as a prudent measure to safeguard the health of cyclists. A requirement to participate in a pre-commitment scheme will be far less intrusive, and recreational gambling consumers will not be deterred from continuing their participation or have their enjoyment reduced as a consequence.

### Revenue decreases

Several submissions to the Committee also predicted dire consequences from loss of revenue if mandatory pre-commitment schemes were implemented, and the Productivity Commission report note the ranges of these “perceptions of disaster” with almost a quarter of hotel proprietors expecting revenue losses of more than 50% (PC, 2010: pg C.23). Most proprietors expected losses of far less than that, and since the bulk of gaming revenue comes from regular gamblers (and we are suggesting a system to enable one-off gamblers to continue to play), we do not believe that the impact of pre-commitment on revenue will be as great as is feared. However, if the impact is a large percentage of income, it would suggest that a considerable proportion of current gaming revenue is derived from people’s tendencies to lose control and over-spend, which we do not believe is an ethically defensible revenue source.

In this context, the COSS network endorses the Productivity Commission’s position that the goal of consumer and public health policy is to achieve better outcomes for consumers and the community, not to preserve industry revenue *per se* (PC, 2010: p C.21), and we believe

that a mandatory universal pre-commitment scheme can contribute to achieving better outcomes for consumers and the community.

## Civil liberties

The COSS network also notes a number of “civil liberty” concerns about a pre-commitment system raised in submissions to the Committee and discussed in the Productivity Commission Report. There are clearly legitimate questions to be considered around the identification of gamblers, their right to privacy in terms of their expenditures, and the storage and availability of data. We do not believe that these are terminal problems for a pre-commitment system and we note that many gamblers already happily provide significant personal and gambling data via participation in loyalty programs.

Obviously though, the mandatory nature of the proposed pre-commitment system makes privacy and data security concerns more of an issue, and there are some clear safeguards that should be built into the system. In this context, we note and endorse the National Welfare Rights Network’s (2011) concerns about the security of data, and that Centrelink should not have access to personal data obtained through the pre-commitment system. As noted above, the default position should be that unless consent is provided, information identifying individuals should not be available for regulators, venues and other parties. We also note that the *ACT Human Rights Act* (2004) (s12) and the Victorian *Charter of Human Rights and Responsibilities Act* (2006) (s13) have explicit protections of the right to privacy (at least in relation to government agencies) and any pre-commitment system should be compatible with these rights. To help ensure this, we suggest that Privacy Commissioners in relevant jurisdictions be consulted before any system is finalised and implemented.

We believe that bio-metric identification is unnecessarily intrusive and that a more standard form of identification (e.g. photo identification with a current address) would be sufficient to obtain a pre-commitment card/device. This low threshold would decrease gambler aversion to the system, and while rorting may be possible, the goal from a public health perspective is less about forcing compliance and more about creating a system to support, inform and allow educated choices.

## Conclusion

Overall the COSS network believes that a mandatory and universal pre-commitment system is achievable and has a vital role in public health and consumer protection in relation to gambling. Basic consumer information about the price of gambling and money spent is not a big ask, and giving gamblers the ability to set limits and gamble responsibly should not be controversial. The key questions are around how to design and implement the system and we believe the type of system outlined above is required to meet the public health and consumer protection goals of good public policy.

However, pre-commitment is only one part of a broader public health strategy around gambling and the COSS network looks forward to other initiatives being pursued, alongside a mandatory and universal pre-commitment system.

## Appendix A: Other Measures

As noted in the body of this submission, pre-commitment is only one of a number of measures required for better regulation of gambling for the community benefit. As this submission focuses on pre-commitment schemes, these other measures are not dealt with in detail, but below are short explanations based on the COSS network's original (2009) submission to the Productivity Commission and the subsequent findings of the Productivity Commission (2010).

### **Limiting Operating Hours**

The COSS network notes the Productivity Commission's Finding 14.2 and supports mandatory shutdown periods for gaming machines in all hotels and clubs. We note the Productivity Commission Recommendation 14.1 that this shutdown period should commence no later than 2am and be of least 6 hours duration. While views of community organisations may differ slightly on the appropriate shutdown period (for instance, SACOSS has argued for shutdown from midnight until 10am), the Productivity Commission recommendation should be viewed as a minimum. Further, applications for the extension of trading hours for gaming venues should be refused and all gaming venues should have their current hours reviewed and curtailed where independent community consultation reveals this to be in the public interest.

### **Limiting Total Spend**

The COSS network notes the Productivity Commission's Finding 11.1 and 11.2 that current bet limits and limits on the maximum amount of cash that can be inserted into a machine are too high. Recommendations 11.1 – 11.3 inclusive would provide useful adjuncts to pre-commitment schemes in changing the gambling environment and making gambling safer. We would further recommend that the \$20 limit be progressively reduced after a defined period of consistent play by an individual.

To further improve harm minimisation strategies, and in view of the Industry assertion that EGMs are for entertainment, a maximum of six cycles per minute should be set for EGMs as a reasonable measure, to protect consumers and their families from the sudden, rapid and devastating losses currently impacting on our communities.

### **Limiting Access to ATMs and imposing withdrawal limits**

The COSS network notes the Productivity Commission's Finding 13.1 and Recommendations 13.1 – 13.4 which all aim to reduce the easy availability of cash on gambling premises. These recommendations are a start, although the COSS network continues to argue for the removal of ATMs from all gaming venues by 2012 to encourage responsible gambling. In recognition of research that shows the majority of ATM users in gaming venues are problem gamblers, we urge the government to take strong action on this issue and commit to remove ATMs from all gaming venues.

We acknowledge that there are communities across Australia where access to financial services may be limited, and seek commitment from governments to ensure suitable and convenient alternatives are sought for these communities.

### **EGM warning signage**

The COSS network notes the Productivity Commission's Recommendations 8.1 – 8.3 which provide gambling warnings, contact details for help services, and provide more transparency

and greater information to EGM users in relation to costs of gambling. These recommendations reflect strategies used in other public health campaigns and are supported as a contribution to changing the gambling environment. We further note that EGM warning signs or screen messaging should be designed to be easily accessible, including for people with limited English literacy, and should be clearly readable and utilise best practice communication methods.

### **Industry Code of Practice**

The COSS Network supports the development of a National Mandatory Code of Practice that builds on the strength of each jurisdiction's experience as a matter of priority. A universal code would enhance consumer protection, particularly in light of continually evolving technological advances and gambling opportunities being opened up to greater numbers of people.

A mandatory and universal code would also minimise competitive advantages between jurisdictions, as governments would no longer have to choose between protecting consumers and losing revenue to other states and territories.

In the ACT, the introduction of a mandatory code of practice for gaming machine venues was a positive step. The ACT code was then considered to be amongst the most progressive in the country because of its emphasis on pro-active identification of potential problem gamblers by gaming machine venues. What is not clear at this stage, however, is the extent to which the code has been pro-actively implemented by ACT gaming machine venues.

A mandatory National Code of Practice would include features contemplated by the Productivity Commission in Recommendations 12.1 - 12.3 (if not mandated elsewhere) and should also include:

- National design standards for gaming machines (if not otherwise covered in statutes or regulation)
- A venue level code of practice
- A requirement that venues undertake harm minimisation measures
- A total smoking ban in all gaming areas
- A ban on eating in gaming areas
- A ban on gambling related inducements
- Mandatory staff training in responsible gambling, including in duty of care, early intervention and administration of exclusion programs
- Clocks displayed both in gaming areas and on EGMs
- Limits on cash payouts and bans on venues cashing winning cheques (if not otherwise covered in statute or regulations)
- Requirements for proper lighting
- Restrictions on player loyalty programs

We would suggest that penalties for not adhering to the code should be proportional to the potential risk to the public that gambling products present. Venues that fail to comply with or show commitment to the code of practice should lose their licences permanently in recognition of the considerable risk to public health that they present.

### **Duty of Care Provisions**

Venues should also face heavier fines, including the loss of their license if they are found to be breaching duty of care by allowing intoxicated people to continue gambling. Counselling services consistently report cases of people with impaired decision-making ability being

allowed to continue gambling. The Gaming Industry needs to be proactive in issues of duty of care in such cases. Our position is that if a patron is allowed to keep gambling when a reasonable person should have realised they were suffering impairment in decision-making ability, then there is a very clear breach of duty of care. This may require considerable staff development for gaming venues and the establishment of more stringent staff supervision of gaming rooms.

### **Education of Young People**

With the opportunities for young people to access gambling products and services, prevention and early intervention education is vital in order for young people not to develop problem gambling behaviours. These services must also be targeted to disadvantaged young people and young people not engaged in mainstream education and employment. Mainstream efforts in this regard must be sustained and reinforced over time, provide clear and honest information and build on the strengths of existing resources such as the teaching kits currently available in Queensland and education initiatives trialled in South Australia.

We note the concerns raised in the Productivity Commission Report about existing school-based education programs, and Recommendation 9.1 for an assessment of such programs before further extension or renewal. While the COSS network supports the independent and ongoing evaluation of school-based programs as part of a long term public health based approach to gambling, these concerns should not be used as an excuse not to embark on effective preventative education programs.

We further recommend that information and education be targeted to and accessible by emerging and existing at-risk groups (such as disengaged young people not currently in education or employment, Aboriginal and Torres Strait Islanders, people from culturally and linguistically diverse (CALD) backgrounds, chronically homeless, prison populations, and other groups identified by research).



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