Inquiry into the National Gambling Reform Bill 2012 and other related bills

Public hearing Tuesday 13 November 2012 - Question on notice

Question on notice requested after the public hearing

Can machines be remotely disabled by the monitoring system in South Australia regardless of the game?

Gaming machines can be remotely disabled by a monitoring system in all Australian jurisdictions except the ACT. However, this is confusing for the player because the state of the game after the machine is disabled provides no advice to the player and will in all probability appear to be a malfunction.

The machine will, for example, be in an offline ("blue screen") mode with an audible alarm in some jurisdictions (including NSW) or display a message such as "Host disabled" on a blue screen in South Australia.

At the very least, this is considered to be an unsuitable outcome which does not provide the player with adequate information and would cause confusion and disruption in venues. As GTA has said before, messages to the player must be on the game play screen and in real time to be effective¹.

¹ Including in GTA's submission of 30 March 2012 to the Joint Select Committee

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Proof Transcript of Evidence, page 44:

Senator XENOPHON: "In New Zealand, where it is a \$2.50 maximum bet spend for pub and club machines ... Can you give us an idea of what those changes actually cost to implement, because there is a lower jackpot in those machines as well. If you could just give us some bare bones details about what the actual features are, when it was implemented and how much it actually cost to roll out? ... the machines were changed to \$2.50"

The last time the maximum bet changed in New Zealand's pubs and clubs was in the late 1990s when it was increased from \$1.00 to \$2.50 and the maximum payout was also increased, from \$100 to \$500.

In 2008 a Player Information Display (PID) was required on each machine, along with connectivity with a new monitoring system. The efficacy of PIDs is a topic of spirited discussion among stakeholders and is the subject of a Ministry of Health study which is expected to report mid-2013. The cost of implementing PIDs and monitoring connectivity has been estimated at NZ\$60 million, but this is complicated by a wide range of factors.

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Proof Transcript of Evidence, page 45:

Senator XENOPHON: "Your members have signed up to international protocols in terms of the way machines can talk to each other and can talk to networks. Is that right? ... I want to know if there an international association that your members are members of ... and whether that international association, as part of its various machine protocols, has signed up to an additional standard of machine design which includes a precommitment feature"

The Gaming Standards Association (GSA) is an international trade association based in California involving gaming manufacturers, suppliers, operators and regulators. All of GTA's primary members are also members of the GSA.

The GSA facilitates the implementation of open technical standards. One of these technical standards is a data communications protocol known as G2S (or "game to system") which has been developed to support a range of potential functionality including the support of data traffic related to precommitment (among many other functions).

There is no such thing as "signing up" to a protocol. Data communications protocols are specified by the respective jurisdictional regulator. For example, the Queensland regulator has developed its own data communications protocol and requires that suppliers must provide games and machines which comply with that protocol.

In any event, the data communications protocol does not provide a precommitment "feature"; it simply supports the flow of data communications which would be necessary to provide a precommitment feature which might be resident in the gaming machine software and in the monitoring system.

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Proof Transcript of Evidence, page 44:

Senator XENOPHON: "My understanding is that there are screen-based systems that exist whereby the server can change the software. Does that actually exist in the poker machine industry?"

A small number of venues in Australia have implemented systems whereby players can choose between approved games which reside on the gaming machine but have been transferred to the machine from a local server.

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Proof Transcript of Evidence, page 44:

Senator XENOPHON: "Is there software amongst your members' machines that tracks betting patterns? Can you take on notice whether, for instance, Bally and Aristocrat have systems whereby players' activity can be tracked?"

Player activity statements are required to be provided by a hotelier or registered club under (for example) s48 of the <u>Gaming Machines Regulation 2010 (NSW)</u>.¹

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¹ See <u>http://www.legislation.nsw.gov.au/maintop/view/inforce/subordleg+476+2010+cd+0+N</u>

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Proof Transcript of Evidence, page 44:

Senator XENOPHON: "Several years ago Victorian machines were changed from \$10 per maximum bet per spin to \$5. Can you tell us what that actually cost your members in terms of that?"

Some games complied with the \$5 maximum bet before it was required.

Those games that required reconfiguration were incorporated into the normal game development and venue equipment replacement cycles.