

## ***General discussion around the reasons for the withdrawal of slot machines and the operation of the Norwegian system***

In June 2003 the Norwegian parliament passed a bill entailing the abolishment of slot machines run by private operators and the establishment of a new gaming terminal regime within an exclusive rights model run by Norsk Tipping, a state owned gaming company. The reason for the bill was a significant rise in turnover and problem gambling related to slot machines in Norway. Previous attempts to regulate the industry had failed due to opposition to Government proposals. At the same time Parliament acknowledged the fact that slot machine type games cannot be banned, but should be allowed in an alternative form. The offering of these forms of games via a state operator will enable strong governmental control with development of the market. At the same time charities will still receive revenues from machines, but less than they had before.

### **Rates of problem gambling prior to and following the change;**

It was an undisputed fact that slot machines were the direct reason for an increase in problem gambling in Norway. Since the ban in 2007 we have witnessed a substantial decrease in problem gambling in Norway, especially in relation to children under 18 years of age.

### **Whether there was a shift to online gambling during the period that slot machines were withdrawn and if this shift was sustained after the new machines were reintroduced**

One of the big questions related to the Norwegian machine reform was where will the money go. After machines were banned there was a slight rise in turnover on other games on the Norwegian market as well as online, but nothing as equivalent to the turnover from slot machines.

### **Discussion around the similarities and differences of the Norwegian experience and the Australian proposals for voluntary and mandatory pre-commitment (limit setting)**

The Norwegian experience is that limits have worked and been well accepted by players. Only around 21% of players reach their limits every month.

### **The effect of allowing people to set their own limits within the upper limit set by government;**

Not many have chosen to do this. The limits set by the Government are quite low from the outset.

### **Discussion around the similarities and differences between the Australian and Norwegian gambling environments/machines**

In Norway we don't have casinos or many big gaming halls. We do have bingo which is popular and is the closest thing we have to a casino. Another thing worth mentioning is that we don't have many terminals in bars or pubs which is very common in Australia. Even though the regulations open for this, there is quite a lot of opposition to this at municipal level. In many municipalities local authorities won't issue alcohol licenses to establishments that offer terminals. So when having to choose, many would rather opt for an alcohol license than machines.

Otherwise I think the biggest difference is that we have much fewer machines than in Australia, also in proportion to population.

### **Effects of the changes on the industry and community.**

We have witnessed a decrease in problem gambling related to regulated Norwegian gaming. Most problems today are connected to online activities not licensed in Norway.

The ban on slot machines in 2007 led to the disappearance of an entire industry and 1500 people may have lost their jobs. But social policy was considered to weigh heavier than employment issues.

