

# InterChurch Gambling Taskforce

8 August 2008

Senate Community Affairs Committee  
Parliament House  
Canberra ACT, 2600

## **Submission on Inquiry into *Poker Machine Harm Minimisation Bill 2008***

The Victorian InterChurch Gambling Taskforce welcomes this opportunity to make a submission to the Senate Community Affairs Committee on the *Poker Machine Harm Minimisation Bill 2008*. The Taskforce supports much of the proposed Bill and would support its adoption into legislation with amendment. Specifically the Taskforce supports:

- A limit on multiple line betting;
- A ban on free spins;
- Bet limits of \$1 per button push;
- A limit on bank note acceptors on electronic gaming machines, preferably to \$5 notes only;
- The introduction of a pre-commitment start card, but amended from what is proposed in the Bill.

The Taskforce does not support ATMs within electronic gaming machine (EGM) venues being limited to \$100 per day as it supports ATMs being removed from EGM venues altogether.

### **Victorian InterChurch Gambling Taskforce**

The Victorian InterChurch Gambling Task Force was established in 1996 by the Heads of Churches in Victoria with the following objectives:

1. To increase awareness amongst the Churches about the broadening gambling industry and to potentially harmful effects on the common good.
2. To provide critical analysis and interpretation of research on gambling and the gambling industry, in particular the social and economic impacts and any other projects undertaken by the government, the Victorian Casino and Gaming Authority and the gambling industry.
3. At every level to communicate the alternatives to gambling as a solution to
  - a) individual personal problems
  - b) socio-economic development.
4. To call Government to further account for its integration of the gambling industry into its economic management.

### **Justification for restrictions on EGMs**

Large parts of the gambling industry seeks to argue that problem gambling is the fault of individuals who fail to act responsibly. The industry often tries to limit their obligation to providing information to assist gamblers in making 'informed' choices. The Taskforce supports the provision of information to assist them in making informed choices, including setting themselves affordable limits that they stick to.

However, the Taskforce also believes that the gambling industry and Government have a responsibility to ensure that if EGMs are allowed to be placed into communities there are restrictions on the design features of EGMs to make them a safer product. This is no different to having safety design features for a range of other products that are sold in the community.

The Taskforce also notes research showing that many gamblers, especially people with gambling problems, do not set themselves affordable limits and thus providing a safer

product will reduce the total level of problem gambling by making it harder for people to harm themselves through excessive gambling.

The report commissioned by Gambling Research Australia on *Analysis of Gambler Pre-Commitment Behaviour* found that up to half (51%) of regular Australian gamblers admitted to not always calculating the affordability of their gambling.<sup>1</sup> At least one in five regular gamblers tend to “never” calculate the affordability of their gambling.<sup>2</sup> Around a third of EGM gamblers said they “never” set any limit on their gambling.<sup>3</sup> Gamblers who used a shorter basis for setting limits (such as per session) tended to have significantly more difficulty in keeping to spend limits.<sup>4</sup> Most regular Australian gamblers do not tend to monitor their gambling expenditure over a longer period. Only 8% of regular EGM players set an additional upper monthly limit.<sup>5</sup> For regular EGM gamblers, 37% only set their limit when they arrived at the venue.<sup>6</sup> 57% of EGM gamblers had trouble staying within their limits and EGM gamblers were more likely than other gamblers to exceed their maximum spend limit and bet size limit.<sup>7</sup>

The GRA research on pre-commitment demonstrates that it would be flawed strategy for governments in Australia to rely on people making informed choices, including setting themselves limits that they stick to, as the only measure to curb the risk and prevalence of problem gambling.

### **Ban on Multiple Line Betting and Free Spins**

The Productivity Commission found that the average EGM gambler without gambling problems who played more than one line, played an average of six lines. For people with gambling problems the average number of lines played was 8.9. Thus, restricting the maximum number of lines to six would appear not to disadvantage non-problem gamblers, while having benefit for people with gambling problems<sup>8</sup>.

The Productivity Commission found that only 35.7% of EGM gamblers without gambling problems bet more than one credit per line and the average number of credits bet per line for those that bet more than one credit per line was 4.1. On the other hand 65.6% of people with gambling problems bet more than one credit per line and the average number of credits per line for those that bet more than one credit per line was 5.9. Thus, restricting the maximum number of credits that can be bet per line to 4 would appear not to disadvantage non-problem gamblers, while having benefit for people with gambling problems<sup>9</sup>.

The Taskforce notes that a bet limit of \$1 per button push will limit the number of lines and the number of credits per line that can be bet. For example, an EGM that has a credit denomination of 10 cents will be limited to 10 lines with one credit per line or one line with a maximum of 10 credits being bet on that line with a \$1 bet limit per line.

The Taskforce supports a ban on free spins, as the Gambling Research Australia report on pre-commitment by gamblers found that extending gambling to obtain free spins was one of

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<sup>1</sup> McDonnell Phillips Pty Ltd, “Analysis of Gambler Pre-Commitment Behaviour”, Gambling Research Australia, June 2006.

<sup>2</sup> McDonnell Phillips Pty Ltd, “Analysis of Gambler Pre-Commitment Behaviour”, Gambling Research Australia, June 2006, p. 7.

<sup>3</sup> McDonnell Phillips Pty Ltd, p. 10.

<sup>4</sup> McDonnell Phillips Pty Ltd, p. 11.

<sup>5</sup> McDonnell Phillips Pty Ltd, p. 11.

<sup>6</sup> McDonnell Phillips Pty Ltd, p.12.

<sup>7</sup> McDonnell Phillips Pty Ltd, pp. 13, 15.

<sup>8</sup> Productivity Commission, “Australia’s Gambling Industries”, Report No. 10, AusInfo, Canberra, 1999, p. 16.79.

<sup>9</sup> Productivity Commission, 1999, p. 16.79.

the factors that caused EGM gamblers to break their pre-commitment decisions and exceed their self-imposed limits.<sup>10</sup> The research found that setting a goal to obtain a certain number of free spins before leaving was one of the critical factors that caused people to continue gambling on EGMs beyond their self-imposed limits. The report recommended that the reinforcement schedule of free spins in the context of EGM gambling should be examined.<sup>11</sup>

**Limiting ATM withdrawals in gambling venues to \$100 per day**

The Taskforce does not believe that the Bill’s proposal to limit ATM withdrawals from gambling venues to \$100 per day goes far enough. ATMs should be removed from gambling venues. EFTPOS poses less risk to people with gambling problems due to the interaction with venue staff to access EFTPOS.

The Productivity Commission found that people with gambling problems were far more likely to use ATMs to withdraw money to gamble when playing EGMs<sup>12</sup>.

Table 1: Productivity Commission’s findings of how often people withdrew money from ATMs at a venue when they played EGMs.

	Never	Rarely	Sometimes	Often	Always	Can’t say
Non- problem gamblers	78.2	11.8	5.0	1.4	3.2	0.4
Gamblers with SOGS 5+	34.6	12.4	15.1	16.5	21.3	0
Gamblers with SOGS 10+	18.2	7.0	16.1	34.8	23.9	0

Research commissioned by the gambling industry from the University of Sydney Gambling Research Unit found that people with gambling problems in hotels were more likely to use ATMs, while those in clubs in NSW did not<sup>13</sup>. The study also found that visits to ATMs in venues were linked to heavy losses<sup>14</sup>. Further, people with gambling problems would continue to gamble until they had used up all the money available to them through ATMs located in venues<sup>15</sup>.

A 2001 gambling industry sponsored survey found that 83% of venue patrons in Ballarat did not use ATMs in the venue<sup>16</sup>. This suggests that removing ATMs from EGM venues is unlikely to inconvenience the majority of patrons, while being likely to assist a significant proportion of people with gambling problems.

A 2004 survey of clients of problem gambling services in Victoria reports that the vast majority of respondents believe that it would be very effective to remove and ban ATMs from gaming venues.<sup>17</sup>

A December 2005 report commissioned by the Victorian Gambling Research Panel, *Evaluation of Electronic Gaming Machine Harm Minimisation Measures in Victoria*, found most EGM gamblers access an ATM at least once during a gambling session. Gaming venue

<sup>10</sup> McDonnell Phillips Pty Ltd, “Analysis of Gambler Pre-Commitment Behaviour”, Gambling Research Australia, June 2006, p. 21.

<sup>11</sup> McDonnell Phillips Pty Ltd, p. 26.

<sup>12</sup> Productivity Commission, “Australia’s Gambling Industries”, Report No. 10, AusInfo, Canberra, 1999, p. 16.61.

<sup>13</sup> Blaszczyński, A., L. Sharpe and M. Walker, “The Assessment of the Impact of the Reconfiguration on Electronic Gaming machines as Harm Minimisation Strategies for Problem Gambling”, The University of Sydney, November 2001, pp. 58-59, 63.

<sup>14</sup> Blaszczyński et. al., p. 63.

<sup>15</sup> Blaszczyński et. al., pp. 80, 83.

<sup>16</sup> ACIL Consulting, “The Impact of Gaming in Ballarat”, 14 December 2001.

<sup>17</sup> New Focus Research Pty, “Problem Gamblers, Loved Ones and Service Providers: Study of Clients of Problem Gambling Services, Stage 2: Round 1 Report”, Victorian Gambling Research Panel, Melbourne, 2004.

managers agree that venue-based ATM-users are most likely to spend their withdrawals on gambling on EGMs.

EGM gamblers who use an ATM at gaming venues rarely access it for the purpose of purchasing food and beverages. Those who access an ATM more than twice do so exclusively to gamble. Frequency of ATM use by EGM gamblers is significantly correlated with the reason for accessing an ATM. The frequency of ATM use by an EGM gambler is connected with increased levels of spending, extended amounts of time in the gaming venue, the frequency of their gambling and their score on the problem gambling index. There is a significant relationship between problem gambling and EGM gamblers' usage of ATMs for gambling purposes, whereby moderate-risk and problem gamblers make significantly more withdrawals from an ATM than non-problem or low-risk gamblers.

EGM gamblers, particularly those with problematic gambling behaviour, were found to make multiple withdrawals of less than \$200. EGM gamblers, both in country and metropolitan venues across hotels/pubs and clubs across Victoria, specifically state that ATMs should be removed from gaming venues, and in doing so rank this as possibly the most effective measure that would be introduced in the future. Disconcertingly, more people with gambling problems report that an ATM should be located in the gaming area compared with those gamblers without problems.<sup>18</sup> The report concluded that "While locating ATMs outside of gaming areas allows EGM players some space or opportunity for thought and contemplation about further gambling – an enforced break-in-play – the accessibility to such facilities may still be too close to the gaming area as to negate this break."

The 2006 GRA report on gamblers pre-commitment found that access to an ATM in the venue was one of the reasons for gamblers breaking their pre-commitment limits that they had imposed on themselves.<sup>19</sup> It was also found that avoiding the use of an ATM and leaving the ATM card at home were key strategies employed by EGM gamblers to try to stay within their limits.<sup>20</sup> The second highest response from gamblers about how to assist them to stay within their self-imposed limits was that there should be no ATM in the venue, which was favoured by 17% of all gamblers, 14% of EGM gamblers and 16% of people with gambling problems as an unprompted response from gamblers.<sup>21</sup> It was the most selected measure that people with gambling problems identified as assisting them to stay within their limits from a prompted list.<sup>22</sup>

The Taskforce notes that the Victorian Government has announced the very positive step of removing ATMs from EGM venues by 2012, although a narrow exemption criteria may apply for venues located in rural towns that have limited alternative ATM facilities.

Previous legal advice obtained by the InterChurch Gambling Taskforce (attached) indicated that both State Governments and the Commonwealth have the power to remove ATMs from EGM venues.

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<sup>18</sup> Caraniche Pty Ltd, "Evaluation of Electronic Gaming Machine Harm Minimisation Measures in Victoria", Victorian Gambling Research Panel, Office of Gaming and Racing, Victorian Government Department of Justice, Melbourne, Victoria, December 2005.

<sup>19</sup> McDonnell Phillips Pty Ltd, "Analysis of Gambler Pre-Commitment Behaviour", Gambling Research Australia, June 2006, p. 21.

<sup>20</sup> McDonnell Phillips Pty Ltd, pp. 29, 31.

<sup>21</sup> McDonnell Phillips Pty Ltd, p. 34.

<sup>22</sup> McDonnell Phillips Pty Ltd, p. 36.

### **Limiting Bank Note Acceptors to Denominations of not more than \$20, to a maximum total of \$100**

The Taskforce believes the Bill does not go far enough in restricting note acceptors on EGMs. Ideally note acceptors should be removed from EGMs, as is the case in South Australia, Tasmania and the Northern Territory in clubs and hotels. In Queensland EGMs can only accept \$20 banknotes with a maximum of five banknotes at a time, which makes Queensland EGMs compliant with the *Poker Machine Harm Minimisation Bill*.

Removing note acceptors would help slow down the intensity of play for people with gambling problems, and would have the added benefit of giving consumers more time for their expenditure. People would be forced to take a break to change money into coins to continue to play.

Comparing overall problem gambling levels between Victoria, NSW, Queensland South Australia and the Northern Territory indicates that the level of problem gambling is lower in the states without note acceptors (Table 2). However, the Taskforce accepts this in itself does not prove that note acceptors are the determining factor in a lower problem gambling prevalence rate as there are a number of key differences between the EGM environment in each state.

Table 2. Problem gambling prevalence in Victoria, NSW, South Australia, Northern Territory and Queensland.<sup>23</sup>

	<b>Victoria</b>	<b>South Australia</b>	<b>NSW</b>	<b>Northern Territory</b>	<b>Queensland</b>
High risk/ problem gamblers	0.97%	0.40%	0.80%	0.64%	0.47%
Moderate risk gamblers	1.00%	1.2%	1.60%		1.80%

A 2001 study by Blaszczyński *et al.* found that limiting note acceptors to \$20 would lead to a 42% reduction in expenditure among EGM gamblers and would not impact on the enjoyment of people without gambling problems.<sup>24</sup> This report was reviewed by an independent group commissioned by the New South Wales Department of Gaming and Racing. The report argued that a 42% reduction in revenue would most likely have an impact on problem gambling and that further investigation into note acceptors was warranted to determine if restrictions on them would be a potential harm minimisation measure.<sup>25</sup> When this measure was introduced in Queensland there was nothing like a 42% drop in EGM revenue.

A 2004 study in the ACT found that more than one-third of regular EGM gamblers and one-half of self-identified problem gamblers always used banknote acceptors when playing EGMs. Less than one-in-five self-identified problem gamblers did not use this facility.<sup>26</sup> The study also established that EGM gamblers using banknote acceptors on a more frequent basis tended to use larger denominations than those using them only rarely or sometimes. Similarly, regular EGM gamblers and people with gambling problems who used this facility tended to use larger denominations than recreational gamblers.

<sup>23</sup> Gambling Research Australia submission to the Senate Community Affairs Committee inquiry on the *Poker Machine Harm Reduction Tax (Administration) Bill 2008*, 25 June 2008, p.3.

<sup>24</sup> Blaszczyński, A., L. Sharpe and M. Walker, "The Assessment of the Impact of the Reconfiguration on Electronic Gaming Machines as Harm Minimisation Strategies for Problem Gambling", University of Sydney Gambling Research Unit, November 2001.

<sup>25</sup> Tse, S. R. Brown and P. Adams, "Assessment of the Research on Technical Modifications to Electronic Gaming Machines in New South Wales, Australia", Report for New South Wales Department of Gaming and Racing, Sydney, 2003.

<sup>26</sup> McMillen, J., D. Marshall and L. Murphy, "The Use of ATMs in ACT Gaming Venues: An Empirical Study", Report for the Australian Capital Territory Gambling and Racing Commission, Australian National University Centre for Gambling Research, September 2004.

A study in Queensland investigated the impact of allowing a maximum of five \$20 banknotes being able to be entered into an EGM at any one time. The majority of people interviewed for the study reported no change in their gambling behaviour. A significant proportion (15 – 20%) reported reductions in:

- The amount of money spent on EGMs each visit and each month,
- The size of bets;
- The amount of time spent gambling on EGMs each visit and each month; and
- The frequency of visits to gaming venues.

Furthermore, people in the high-risk to problem gambling group were found to experience the greatest changes in behaviour with approximately 30% to 40% reporting changes in the amount of money they spent on EGMs per visit and each month, their levels of enjoyment, the frequency of visits, and the amounts of money spent on other entertainment at gaming venues. Although the majority of consumers reported no change in their gambling behaviours, a significant proportion of people reported harm minimizing behaviours, especially in the high-risk to problem gambling group. Interestingly, despite these reported changes there has been no observable long-term effect on the revenue-generating capabilities of EGMs that can be attributed to change in banknote acceptors.<sup>27</sup>

Anecdotally, people with gambling problems report that when EGMs were coin only, the stains left on their hands by handling large volumes of coins acted as a restraint on their gambling.

The Taskforce would strongly prefer the removal of note acceptors altogether in those jurisdictions that currently allow for them, at the very highest allowing for note acceptors that accept \$5 notes.

### **Bets to be limited to \$1 a spin**

A bet limit of \$1 per button push would appear to benefit people with gambling problems without disadvantaging the vast majority of people without gambling problems. The Productivity Commission found that on average, people with gambling problems staked \$1.62 per button push compared to 57 cents for non-problem gamblers<sup>28</sup>.

Research commissioned by the gambling industry found that only 3.5% of EGM gamblers bet above \$1 per button push. Of people without gambling problems only 2.3% bet over \$1 per button push, while 7.5% of people with gambling problems bet over \$1 per button push<sup>29</sup>. The report concluded that a bet limit per button push of \$1 would be “a potentially effective harm minimisation strategy for a small proportion of players.”

The report commissioned by Gambling Research Australia into pre-commitment recommended that there bet limits should be a key priority in assisting people in keeping their pre-commitment decisions.<sup>30</sup> The research found that 12% of EGM gamblers “often” or “always” used maximum bets to influence their win rate.<sup>31</sup> EGM gamblers, including people

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<sup>27</sup> Brodie, M., N. Honeyfield & G. Whitehead, “Change in Banknote Acceptors on Electronic Gaming Machines in Queensland: Outcome Evaluation”, Research and Community Engagement Division, Queensland Office of Gaming Regulation, Brisbane, July 2003.

<sup>28</sup> Productivity Commission, “Australia’s Gambling Industries”, Report No. 10, AusInfo, Canberra, 1999, p. 16.80.

<sup>29</sup> Blaszczynski, A., L. Sharpe and M. Walker, “The Assessment of the Impact of the Reconfiguration on Electronic Gaming Machines as Harm Minimisation Strategies for Problem Gambling”, University of Sydney Gambling Research Unit, November 2001, pp. 10-11.

<sup>30</sup> McDonnell Phillips Pty Ltd, “Analysis of Gambler Pre-Commitment Behaviour”, Gambling Research Australia, June 2006, p. 14.

<sup>31</sup> McDonnell Phillips Pty Ltd, p. 24.

with gambling problems, reported that avoiding high or large bets was a more effective strategy to keep within their pre-commitment limits.<sup>32</sup>

The Northern Territory has a bet limit of \$5 in hotels and clubs. Canada has a maximum bet limit of C\$2.50 on Video Lottery Terminals. New Zealand has a maximum bet limit of NZ\$2.50 for machines outside of the casinos. The UK has a maximum bet limit of 0.5 pounds.<sup>33</sup>

### **Payout prizes to be limited to a maximum of \$1,000**

The Taskforce notes that the research commissioned by Gambling Research Australia into pre-commitment by gamblers indicated that people with gambling problems were more likely to increase their spending after a win.<sup>34</sup> Having a small win (of around \$20), the potential to win a top payout or prize, the potential to win a large linked jackpot and having a large win (of \$100 - \$200) were all found to be causes for EGM gamblers to break their pre-commitment decisions.<sup>35</sup>

It has been the Taskforce's understanding that a mix of prizes encourages gamblers to gamble for longer and spend more money than they otherwise would. Large prizes can encourage an increase in gambling expenditure as the gambler chases the possibility of a large win or looks for a large win in an attempt, against the odds, to recover their losses. However, more frequent small wins are also required to keep the gambler gambling. An EGM that simply absorbed the money placed into it and very rarely paid out, is likely not to encourage a gambler to keep gambling.

The frequent small wins are necessary reinforcement to keep the gambler gambling. It would be the Taskforce's understanding that currently the EGM industry will have sort to have EGMs that offer an optimum range of payouts to try and maximise gambling expenditure. The mix of payout sizes and frequencies will have been informed by experience of which EGMs have been most popular with gamblers in terms of expenditure and which have resulted in lower expenditure. The payout sizes and frequency is a mix of rarer large payouts and more frequent small payouts.

Setting an upper limit of \$1000 to payout sizes will remove the incentive for gamblers to gamble more than they otherwise would in the hope of a large payout. However, assuming that minimum required return to players would still apply, EGMs will be required to offer more frequent small payouts. On balance, the Taskforce believes that restricting payout prizes to \$1,000 is likely to reduce problem gambling behaviour, as it restricts the ability of the EGM industry to have unrestricted design of payout tables, where unrestricted design of payout tables is likely to encourage excessive gambling.

The Taskforce strongly supports the restriction of linked jackpots, as these do encourage gamblers to gamble beyond their own pre-commitment limits.

### **Pre-commitment start card**

The pre-commitment start card proposed in the Bill would have a limit of a maximum of \$1,000 per fortnight, but would allow for EGMs with a bet limit of \$5 per button push and payout prizes limited to \$2,000. The Taskforce is supportive of the introduction of smart

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<sup>32</sup> McDonnell Phillips Pty Ltd, "Analysis of Gambler Pre-Commitment Behaviour", Gambling Research Australia, June 2006, pp. 29-31.

<sup>33</sup> Caraniche Pty Ltd, "Evaluation of Electronic Gaming Machine Harm Minimisation Measures in Victoria", Victorian Gambling Research Panel, Office of Gaming and Racing, Victorian Government Department of Justice, Melbourne, Victoria, December 2005.

<sup>34</sup> McDonnell Phillips Pty Ltd, p. 19.

<sup>35</sup> McDonnell Phillips Pty Ltd, p. 21.

cards or USB keys, but would prefer not to establish two tiers of EGMs. Thus the same restrictions should apply to all EGMs. The smart card or USB key allows the person gambling to set limits in terms of money lost and time spent gambling. The Taskforce has a strong preference that all EGMs be card operated. There might be special cards that could be given by a venue to people who are tourists (live more than a specified distance from the venue or have come from overseas) to facilitate those that want to have a one off gambling session on EGMs.

A move towards having EGMs only work from a dedicated gambling card or USB key has the potential to assist in promoting more sensible gambling habits as well as assisting those with gambling problems. However, the introduction of such card or USB key operated EGMs carries the risk of increasing problem gambling if cash can be loaded onto such a card or USB key. The card or USB key could become the equivalent of being able to insert a single note worth thousands of dollars into an EGM. For this reason, smart cards or USB keys should not be a replacement for cash. The smart card or USB key should be required to enable the EGM to begin gambling, but it is preferable that the gambler still be required to insert money into the EGM.

Such cards or USB keys could offer the following features and consumer protection measures:

- Pre-commitment. The gambler could be required to specify how much they are willing to lose in a month or week. When this limit is reached the gambler is locked out of the system until the time period expires. Any specification of a period less than a week seems likely not to be effective as a pre-commitment strategy. The development of pre-commitment betting limits was recommended by research commissioned by the Gambling Research Panel that looked at the existing self-exclusion program.<sup>36</sup>
- Self-exclusion. Having a gambling card or USB key system only would allow someone who chooses to self-exclude to be locked out of the system for the duration of the self-exclusion.
- Activity statements. Having a card or USB key system would allow the generation of a regular activity statement. These might be limited to those that gamble above a certain amount in a given time or based on frequency of play. Someone who only plays less than once a month and spends only a small amount of money is unlikely to need an activity statement.
- Warning messages and breaks. The system could monitor a gambler's play patterns. If a gambler started to increase their intensity in play from their usual pattern, it could trigger appropriate warning messages. This message could appear in the language appropriate to the gambler. Also, if someone plays for a certain period, a mandatory lock-out period could be implemented. This is something that a gambler might be able to specify as part of their 'responsible' gambling strategy.
- Bet limits. The gambler could be required to pre-specify a bet limit on how much they are willing to bet on a single button press with the specification lasting a week or month before the gambler can change the setting.

All of these features are likely to only be of any significant benefit if all EGMs are required to be card or USB key only, otherwise a gambler will be able to get around the consumer protection measures by using EGMs that do not require a smart card to be operated.

The \$1,000 limit proposed in the Bill seems like a reasonable safeguard, compared to an alternative of allowing people to set their own upper limit without any maximum boundary.

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<sup>36</sup> South Australian Centre for Economic Studies, "GRP Report No. 2. Evaluation of Self-exclusion Programs", Gambling Research Panel, Victoria, Feb 2003.



The Taskforce notes though that a limit of \$1,000 per fortnight will still be an unaffordable limit for people on low incomes.

A December 2005 report commissioned by the Victorian Gambling Research Panel, *Evaluation of Electronic Gaming Machine Harm Minimisation Measures in Victoria*, found that both EGM gamblers and gaming venue managers agreed that the facility to track spending and set monetary limits would be a potentially effective harm minimisation measure.<sup>37</sup>

Software solutions towards consumer protection measures for gambling cards or USB keys already exists.

The Taskforce does note that in the 2006 GRA research into pre-commitment by gamblers, only 26% of EGM gamblers favoured a compulsory smart card and 61% preferred a voluntary card. Further, 53% favoured being able to set their own limits, with 40% believing limits should be set according to a person's ability to pay and 7% believing the same limit should apply to all people. If a compulsory limit was applied though, 52% of EGM gamblers said it would have no impact on their enjoyment of gambling on EGMs and 17% said it would make their gambling more enjoyable.<sup>38</sup>

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<sup>37</sup> Caraniche Pty Ltd, "Evaluation of Electronic Gaming Machine Harm Minimisation Measures in Victoria", Victorian Gambling Research Panel, Office of Gaming and Racing, Victorian Government Department of Justice, Melbourne, Victoria, December 2005.

<sup>38</sup> McDonnell Phillips Pty Ltd, "Analysis of Gambler Pre-Commitment Behaviour", Gambling Research Australia, June 2006, p. 40.