AUSTRALASIAN
Gaming Council
ABN 64 092 720 753

Submission to the Royal Commission into the Casino Operator and Licence

31 May 2021

About the Australasian Gaming Council (AGC) in Brief

The Australasian Gaming Council ("AGC") was established in 2000 as a national body with a charter to promote responsible gambling and further a sustainable industry.

The role of the AGC is to:

Engage: with key stakeholders

in gambling and public policy forums

Promote: gambling education and information

high quality gambling research

responsible gambling programs, initiatives and resources

Educate: via the provision of quality information products for members and the public

AGC members include Aristocrat Technologies Ltd, the Australian Leisure and Hospitality (ALH) Group, The Australian Hotels Association (AHA - National and State/Territory Branches), Crown Resorts Limited, The Star Entertainment Group Limited, The Gaming Technologies Association (GTA) and Tabcorp Holdings Limited. SkyCity Entertainment Group is an Associate Member.

To read more about the AGC please visit our website at www.austgamingcouncil.org.au

The AGC can be contacted via email at: info@austgamingcouncil.org.au

Contents

Royal Commission Invitation

By letter dated 30 March 2021, Solicitors Assisting the Royal Commission invited the Australasian Gaming Council ("AGC") to make a submission to the Royal Commission addressing the following issues:

1. The social impact of problem gambling in Australia.

2. What are the best practices for reducing problem gambling in relation to the casino? To what extent are these practices being implemented at Crown Melbourne?

3. What steps should a casino operator be required to take to prevent, detect and manage problem gambling?

4. Does the current Victorian regulatory framework, including the casino licence, impose sufficient obligations on the casino operator to prevent, detect and manage problem gambling? If not, what obligations would you recommend?

Purpose of this Submission

The AGC is pleased to provide a submission to the Victorian Royal Commission into the Casino Operator and Licence.

The purpose of this submission is to respond, within the parameters of the AGC's defined role and charter, to the Royal Commission's request for information with regard to the impacts of problem gambling in Australia, as part of a broader investigation into "how the management and operation of Crown Melbourne deals with problem gambling".

Having regard to the role and charter of the AGC (as detailed further below), the AGC does not consider it appropriate to respond to the very specific matters raised at items 3 and 4 above.

Acronyms/Terms used in this Submission

AGC	The Australasian Gaming Council
CPGI	Canadian Problem Gambling Index. This screen contains questions about gambling participation, behaviour, feelings, experiences and socio-demographic characteristics. Nine of these questions are scored to assess risk of gambling problems and are known as the Problem Gambling Severity Index (PGSI).
HDI	Household Disposable Income
Incidence	The number of new events or new cases, in a defined population.
Prevalence	The number of instances of a given condition, in a given population, at a designated time.
PGSI	Problem Gambling Severity Index - nine questions from the Canadian Problem Gambling Index which measure risk for problem gambling.

The Role and Charter of the AGC

The AGC was established in 2000 as a Not-For-Profit national body with a charter to promote responsible gambling and foster a sustainable industry.

> The AGC is a membership body of the Australasian gambling industries that remains, as it has done since its inception, fully funded by its members. It is governed by a Board of Directors who are among the leaders of the gambling industries in Australasia.
>
> Crown Resorts Ltd ("Crown Resorts") has been a member of the AGC for some two decades, both as an individual entity (as is currently the case) and, in previous years, by virtue of membership of the now ceased industry association Casinos and Resorts Australasia (previously the Australian Casinos Association).
>
> Crown Melbourne's current Chief Executive Officer (Mr Xavier Walsh) has been a member of the AGC Board of Directors since February 2021. Crown have similarly been represented at AGC Board level in previous years.
>
> The AGC's Chief Executive Officer (Ms Nadine Grinblat) was an employee of Crown Melbourne from 1998-2008.

AGC members have long acknowledged that, while the provision of legal, regulated gambling opportunities for adult participation provides recreational, social and economic benefits, gambling related problems and associated social impacts remain a serious and very important issue.

The AGC's members make a significant contribution to the Australasian economies and society. The AGC recognises that operator actions to reduce the incidence and development of gambling related problems play an important part in maximising the benefits derived from the availability of licensed, regulated gambling opportunities.

The AGC's Charter provides for both a public and member-oriented role for the organisation:

- to promote responsible gambling and high-quality gambling research;
- to develop and distribute gambling education resources;
- to participate in and lead public policy forums and events about gambling;
- to maintain a comprehensive gambling research e-library and industry statistical database; and
- to provide first class services for members including issues papers, newsletters, research, comment and the AGC website.

In support of these objectives AGC activity has, for many years, focused on:

- providing information and promoting educative materials about responsible gambling programs and gambling research;

- engaging in stakeholder forums that discuss gambling research, responsible gambling initiatives and policies, and

- supporting AGC member businesses and their teams in maintaining an up-to-date knowledge and understanding of research discussion, policy, regulation, harm minimisation practices and the provision of responsible gambling.

It is important to note that, while the AGC may provide information to its members regarding available research concerning harm prevention and harm minimisation activities, developments in responsible gambling practices and developments in customer support and government provided treatment initiatives, it does not seek to, and cannot, prescribe or determine any individual member operator's responsible gambling programs or practices.

This is both a product of the national character of the AGC and the diverse nature of the organisation's membership.

A number of sector or operator specific codes and initiatives have been developed, and/or required, at state/territory level in Australia alone. While these initiatives/requirements may share similarities, they also differ - both in their application to various sectors and their specificity.

Public commentary provided by the AGC in furtherance of the advancement of responsible gambling from an operator perspective is, by necessity made at a high level.

The AGC has long subscribed to a view that collaborative action is required in progressing responsible gambling and that the industry should have a voice in policy discussion and research.

The AGC has provided views in policy discussion forums and hearings on a number of occasions (alongside other stakeholders from various sectors). Indeed, the organisation has made public submissions on topics pertaining to responsible gambling at a national and state-based level over many years.[1]

However, it has never made, and does not seek to make, recommendations regarding specific policy and/or regulation as these may apply only to a single operator or individual AGC member.

Nor is it the role of the AGC, as defined by its Charter, to comment on the level of, make probative conclusions or provide assurances with regard to any member's compliance with their particular regulatory obligations.

The determination of such matters is the province of governments, the applicable regulatory authority, (as those who licence, or have responsibility for review) and this Royal Commission itself.

The AGC makes this submission on that basis and trusts that the information provided hereafter is of use in informing the deliberations of the Royal Commission.

Problem Gambling, Responsible Gambling and Public Health

Gambling is, by definition, activity involving "the placement of a wager or bet on the outcome of a future uncertain event".[2]

Gaming is a term often used to refer to a subset of legally available and highly regulated gambling activities - including Electronic Gaming Machines ("EGMs", "Poker Machines" or "Pokies") and casino table games, where event outcomes may be either wholly (as is the case for EGMs and some casino table games) or largely (as is the case for other casino table games) determined by chance.

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[1] The AGC's submissions are available at <https://austgamingcouncil.org.au/research-policy/agc-submissions>
[2] Queensland Government Statistician's Office, Queensland Treasury, *Australian Gambling Statistics*, Explanatory notes, 36th edition, 2021 < https://www.qgso.qld.gov.au/statistics/theme/society/gambling/australian-gambling-statistics>

Gambling activities remain a popular pastime for many Australians – albeit participation rates in land-based gambling forms are declining.

The AGC estimates that, overall, approximately 3.1 million Australian adults play EGMs and that approximately 981,000 Australian adults participate in (land-based) casino table games.[3]

The most recent national data "identifies an estimated 6.8 million *regular* gamblers in 2015".[4] The majority of these people played lotteries (76%) or purchased instant scratch tickets (22%) while 1.4-1.5 million played EGMs (21%). Less than a million people were found to gamble regularly on other gambling forms in 2015 – including racing (14%), sports betting (8%), Keno (8%), casino tables games (3%), private betting (2%) and poker (2%).[5]

Problem Gambling and Harm

In Australia there is a broadly agreed public health definition of problem gambling as:

> "characterised by difficulties in limiting money and/or time spent on gambling which leads to adverse consequences for the gambler, others, or for the community." [6]

The commonly used measurement tool for research into problem gambling prevalence in Australia/New Zealand is the Canadian Problem Gambling Index ("CPGI"), a component of which is the nine item Problem Gambling Severity Index ("PGSI").[7]

The CPGI/PGSI was developed to measure the extent of problem gambling in the general population. It is often expressed as a continuum upon which individuals may move through varying degrees of risk and problem severity. Those experiencing severe problems are scored as 8+, those at moderate risk (PGSI 3-7), those at low risk (PGSI 1-2) and those scoring "0" are described as non-problem gamblers.[8]

The trajectory of problem gambling is not always clear - problems can arise and increase, reduce, resolve or re-occur over time.[9] This is consistent with public health models that consider lapse and relapse as normal parts of a recovery and maintenance cycle.

At the time of the most recent Victorian gambling survey (2018-19) more than two-thirds of adult Victorians (69%, or just under 3.4 million adult Victorians) reported participating in some form of

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[3] This figure has been estimated with reference to the most recent state/territory gambling surveys and ABS Data series for adults aged 18+ relevant to the year of each study publication. Caution should be taken in comparison between state/territory surveys. These figures remain a broad estimate only as an indicium of all, rather than regular, play.

[4] Armstrong, A., & Carroll, M. (2017), *Gambling Activity in Australia.* Melbourne: Australian Gambling Research Centre, Australian Institute of Family Studies p1. Please note that regular gamblers are defined in this study as adults who spent money on one or more gambling activities in a typical month of 2015.

[5] Ibid

[6] Neal P., Delfabbro P. & O'Neil M. (2005), *Problem gambling and harm: towards a national definition*, Gambling Research Australia p 3

[7] Wynne, H. (2002), *Introducing the Canadian Problem Gambling Index, Wynne Resources, Edmonton, Alberta Canada.* This screen contains questions about gambling participation, behaviour, feelings, experiences and socio-demographic characteristics. Nine of these questions are scored to assess risk of gambling problems and are known as the Problem Gambling Severity Index (PGSI). (Ferris, J. & Wynne, H. (2001), *The Canadian Problem Gambling Index: user manual*, Report to the Canadian Inter-Provincial Task Force on Problem Gambling, Ottawa, ON: Canadian Centre on Substance Abuse).

[8] Wiebe, J., Single, E. & Falkowski-Ham, A. (2001), *Measuring Gambling and Problem Gambling in Ontario*, Canadian Centre on Substance Abuse, Responsible Gambling Council (Ontario).

[9] See for example Productivity Commission (1999), *Australia's Gambling Industries*, Report No. 10, AusInfo, Canberra and LaBrie, R., Schaffer, J., Nelson, S. & Gebauer, L. (2009), *Gambling Problem Symptom Patterns and Stability Across Individual and Timeframe. Psychology of Addictive Behaviours* Vol 23, No 3 523-533.

gambling (in the previous twelve-month period). 0.7% of Victorian adults were found to be problem gamblers (PGSI 8+) with a further 2.4% at moderate risk (PGSI 3-7).[10]

Table One: PGSI categories in the Victorian population overall and by gender2018-19[11]

	Population estimates (# of adults)	All respondents (n=10,638)	Men (n=4,888)	Women (n=5,750)
NG (Non-gambler)	1,524,228	**31.0%**	30.1%	31.8%
NPG (Non-problem gambler)	2,911,781	**59.2%**	57.1%*	61.2%*
LRG (Low risk gambler)	329,153	**6.7%**	8.4%*	5.0%*
MRG (Moderate risk gambler)	118,004	**2.4%**	3.4%*	1.5%*
PG (Problem gambler)	36,123	**0.7%**	1.0%*	0.5%*

Base: All respondents. * significant difference from all adults.

Source: Excerpted from Rockloff, M., Browne, M., Hing, N., Thorne, H., Russell, A., Greer, N., Tran, K., Brook, K. & Sproston, K. (2020), Victorian population gambling and health study 2018–2019, Victorian Responsible Gambling Foundation. p 2

More recently in Australia, research has focussed on harm. From a public health perspective, the study of harm informs efforts to prevent and reduce adverse consequences of any severity associated with gambling, with a focus on broader community intervention.

Definitions of harm in Victorian studies have been designed broadly, and purposefully so, to capture "any initial or exacerbated adverse consequence due to engagement with gambling that leads to a decrement to the health or wellbeing of an individual, family unit, community or population".[12]

Measurements of harm have now been included in some Australian population surveys that also report on the prevalence of gambling and problem gambling using the CPGI/PGSI.

Harm is a relatively new area of research in which there remains no small measure of academic debate regarding the methodology for measurement.[13]

While academia appears to have a consensus that gambling can result in a range of harms and that endorsement of harm increases with problem gambling severity (appearing to be particularly prevalent amongst people who are classified as problem gamblers)[14] there remains debate about what constitutes harm and what is rather opportunity cost (at the lower end of the scale), the

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[10] Rockloff, M., Browne, M., Hing, N., Thorne, H., Russell, A., Greer, N., Tran, K., Brook, K. & Sproston, K. (2020), *Victorian population gambling and health study 2018–2019*, Victorian Responsible Gambling Foundation. p 1
[10] Ibid p23
[11] Ibid p23
[12] Browne, M., Langham, E., Rawat, V., Greer, N., Li, E., Rose, J., Rockloff, M., Donaldson, P., Thorne, H., Goodwin, B., Bryden, G. & Best, T. (2016), *Assessing gambling-related harm in Victoria: a public health perspective*, Victorian Responsible Gambling Foundation, Melbourne. p36
[13] See for instance: Delfabbro, P., Georgiou, N., & King, D. L. (2020), Measuring gambling harm: The influence of response scaling on estimates and the distrbution of harm across PGSI categories. *Journal of Gambling Studies*. https://doi.org/10.1007/s10899-020-09954-1, Delfabbro, P., King, D. & Neophytus, G. (2020), Opportunity Cost and Gambling: Distinguishing Between Competing Activities and Harm, *Journal of Gambling Issues*, Vol. 44, Spring 2020 DOI: http://dx.doi.org/10.4309/jgi.2020.44, Delfabbro, P. & King, D. (2019), Challenges in the Conceptualisation and Measurement of Gambling-Related Harm, *Journal of Gambling Studies* https://doi.org/ 10.1007/s10899-019-09844, Pickering, D. & Blaszczynski, A. (2021), Paid online convenience samples in gambling studies: questionable data quality, *International Gambling Studies*, DOI: 10.1080/14459795.2021.1884735 and Shannon, K., Anjoul, F. and Blaszczynski, A., (2017), Mapping the proportional distribution of gambling-related harms in a clinical and community sample, *International Gambling Studies*, 17:3, 366-385, DOI:10.1080/14459795.2017.1333131.
[14] Rockloff, M., Browne, M., Hing, N., Thorne, H., Russell, A., Greer, N., Tran, K., Brook, K. & Sproston, K. (2020), *Victorian population gambling and health study 2018–2019*, Victorian Responsible Gambling Foundation. p118

methodology for ascertaining respondent answers about the harms experienced and "how to quantify empirical units of harm."[15]

In short, harm is difficult to measure and not all harms are equal. Some lesser harms may be balanced to an extent by the enjoyment an individual gains in the activity. Others may be short lived and/or infrequent, while conversely, some harms can be long lasting and/or of great personal/familial impact.

The measurement of harm remains a matter of importance. However, given the current debate in Australian research, the AGC concurs with a view that, although research to date has provided a potential way to capture broader levels of harm, there is a need to remain focussed at an individual level to identify which people are being significantly and negatively affected by gambling.[16]

As Delfabbro and King have noted of this subject, "undoubtedly the use of more refined measures will leave policy makers better positioned to capture the impact of regulation on the nature and supply of gambling products across the continuum of risk".[17]

Responsible Gambling

'Responsible gambling' can be broadly described as:

> "policies and practices designed to prevent and reduce potential harms associated with gambling; these policies and practices often incorporate a diverse range of interventions designed to promote consumer protection, community/consumer awareness and education, and access to efficacious treatment".[18]

References to responsible gambling are found the world over. Despite having no single agreed definition, the term is in wide usage, including being used in academic discussion, government literature and in legislative and regulatory frameworks - as well as by the gambling industries.

From its first use in the 1990's the term has been applied in Australia to a range of initiatives, including:

- *prevention* initiatives - such as consumer education and awareness programs;

- *consumer protection* provisions – including legislative and regulatory stipulations with regard to the structure of the industry and the gambling products legally made available; and

- *harm minimisation* initiatives - which include measures like responsible gambling staff training and the provision of gambling assistance and treatment services.

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[15] Shannon, K., Anjoul, F. & Blaszczynski, A. (2017), Mapping the proportional distribution of gambling-related harms in a clinical and community sample, *International Gambling Studies*, 17:3, 366-385, DOI:10.1080/14459795.2017.1333131
[16] See for instance Delfabbro, P., King, D. & Neophytus, G. (2020), Opportunity Cost and Gambling: Distinguishing Between Competing Activities and Harm, *Journal of Gambling Issues,* Vol. 44, Spring 2020 DOI: http://dx.doi.org/10.4309/jgi.2020.44.
[17] Delfabbro, P. & King, D. (2019), Challenges in the Conceptualisation and Measurement of Gambling-Related Harm, *Journal of Gambling Studies* https://doi.org/ 10.1007/s10899-019-09844.
[18] Blaszczynski, A., Ladouceur, R., & Shaffer, H.J. (2004), A Science-Based Framework for Responsible Gambling: The Reno Model., *Journal of Gambling Studies*, 20 (3), 2004 301-317. p308

Responsible gambling has been described in Victorian legislation as fostered to (i) minimise harm caused by problem gambling; and (ii) accommodate those who gamble without harming themselves or others.[19]

Responsible gambling has also been referred to as comprised of two component parts, the responsible *provision* of gambling and the responsible *consumption* of gambling.

The Victorian Responsible Gambling Foundation has outlined the concept of responsible provision of gambling as "responsible gambling for the broader community, including gambling providers, governments and sporting associations, requires:

- shared responsibility for generating awareness of the risks associated with gambling;
- creating and promoting environments that prevent or minimise problem gambling; and
- being responsive to community concerns around gambling".[20]

The responsible consumption of gambling has been outlined for the individual consumer as:

> "Exercising control and informed choice to ensure that gambling is kept within affordable limits of money and time, is enjoyable, in balance with other activities and priorities and avoids gambling related harm".[21]

Responsible Gambling and Public Health

A public health framework, that recognises the potential influence of contextual factors on gambling behaviour has guided public policy measures implemented in Victoria for some time. Actions in a public health strategy include:

1) **Primary prevention strategies** - to prevent the onset of at-risk behaviours and the development of problems. Primary prevention action targets the population (or sub-populations) at large – including both those who do not gamble as well as those who do;

2) **Secondary prevention strategies** - to target settings or groups where risk may be higher (including in venue activities such as responsible service of gaming training); and

3) **Tertiary prevention strategies** - to target those already experiencing difficulties and problems associated with their gambling (or another's) through increasing access to and availability of treatment and support services.[22]

A public health approach rests on the understanding of a shared responsibility for population health, from individuals and community groups to businesses, corporations and governments at all levels.[23]

There remains in Australia, and indeed the world over, debate regarding 'responsible gambling' - both conceptually and as a term. Research has found for instance that the term may not resonate effectively with consumers and/or that consumers may interpret responsible gambling initiatives as applicable only to "problem gamblers".[24]

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[19] *Gambling Regulation Act 2003* (Vic) s1.1(2)(a).
[20] Miller, H. (2016), *Responsible Gambling: Past, Present and Future*, Victorian Responsible Gambling Foundation p 5
[21] Hing, N. Russell, A. & Hronis, A. (2016), *Behavioural indicators of responsible gambling consumption*, Victorian Responsible Gambling Foundation, Melbourne.
[22] Summarised from Victorian Responsible Gambling Foundation (2015), *Using a Public Health Approach in the Prevention of Gambling Related Harm.* p 15
[23] Ibid
[24] See for instance Hing, N., Russell, A., Nuske, E. & Gainsbury, S. (2015), *The stigma of problem gambling: Causes, characteristics and consequences*, Victorian Responsible Gambling Foundation. Problem gambling has been associated with

This understanding provides some of the rationale for changes occurring over past years in the nomenclature of consumer focussed messaging, where "gambling harm" has been the subject of consumer prevention and awareness initiatives, and where harm minimisation tools (such as Victoria's state-wide voluntary pre-commitment program "Your-Play") have been branded to encourage broader appeal amongst all of those who gamble.[25]

As Delfabbro and King have noted, "responsible gambling is a term which has most commonly been used by public policy makers and which is favoured by the industry, but the principles share much in common with public health approaches".[26]

While perspectives and conceptual frameworks both evolve and differ, the industry today often uses the lexicon of responsible gambling within the Victorian public health policy environment.

Likewise, actions both required by governments and instituted by operators, reflect both frameworks to some degree.

> "From an industry perspective, the primary long-term objective of a responsible gambling framework is to prevent and reduce harm associated with gambling in general and excessive gambling behaviours in particular".[27]

In essence, the AGC sees responsible gambling (from the perspective of those who provide legal, land-based gambling opportunities in Australia) as:

- Occurring in a regulated environment;
- Occurring through shared stakeholder responsibility where governments, industry, consumers themselves and the community play a part;
- Requiring the provision of safe and supportive environments for the delivery of gambling products and services where:
    - Customers are enabled to make informed decisions about their gambling participation and activity;
    - The potential for problems and significant harms that may be associated with gambling are minimised; and
    - Those adversely impacted by gambling have access to timely and appropriate information and assistance.[28]

The Current Gambling Environment in Victoria

> *COVID-19 shutdowns across Australia and the world have impacted historical data from Q3 2019/20 to the present. Data until 2018/19 represents that which is the most up-to-date and accurate prior to the onset of the pandemic and is therefore the most indicative of industry trends.*

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social stigma, seen by both gamblers and counsellors as a significant barrier to the uptake of help services and other harm minimisation initiatives.

[25] See for instance considerations pertinent to the development of Victoria's voluntary pre-commitment program "Your Play' branding: South Australian Centre for Economic Studies (2019), *Evaluation of YourPlay, Final Report*, Victorian Department of Justice and Community Safety. p8 and the change from 'Responsible Gambling Awareness Week' to 'Gambling Harm Awareness Week'.

[26] Delfabbro, P. & King, D. (2019) Challenges in the Conceptualisation and Measurement of Gambling-Related Harm, *Journal of Gambling Studies* https://doi.org/ 10.1007/s10899-019-09844-1.

[27] Blaszczynski, A., Ladouceur, R. & Shaffer, H.J. (2004) A Science-Based Framework for Responsible Gambling: The Reno Model. *Journal of Gambling Studies*, 20 (3), 2004. p304

[28] <https://austgamingcouncil.org.au/respons ble-gambling/our-commitment>

Gaming expenditure in Victorian EGM venues (when viewed in real, rather than nominal terms) has been relatively static for some time while casino expenditure in Victoria peaked in the 2014-16 period.

Figure One: Real Victorian Gaming Expenditure 2000/01 – 2018/19
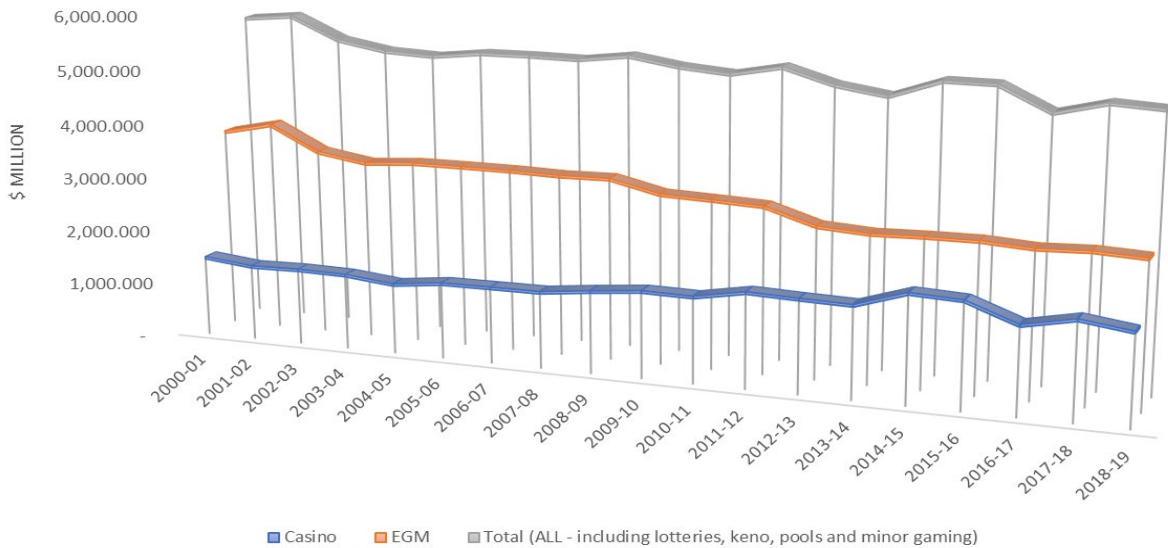
Source: Queensland Government Statistician's Office, Queensland Treasury, Australia, Australian Gambling Statistics, 36th edition, 2021.

Crown Melbourne – as the largest casino in Australia – has seen real per capita expenditure above those of some jurisdictions with similarly large casinos

Figure Two: Real Per Capita Casino Expenditure in Australia 2000/01 – 2018/19

Source: Queensland Government Statistician's Office, Queensland Treasury, Australia, Australian Gambling Statistics, 36th edition, 2021.

12

The Victorian Government Statement of Finances for 2019-20 reports that "gambling has steadily declined as a share of total household financial consumption expenditure in recent years. This reflects several factors, including the success of measures designed to minimise gambling-related harms, such as the capped number of EGMs, as well as changing consumer preferences".[29]

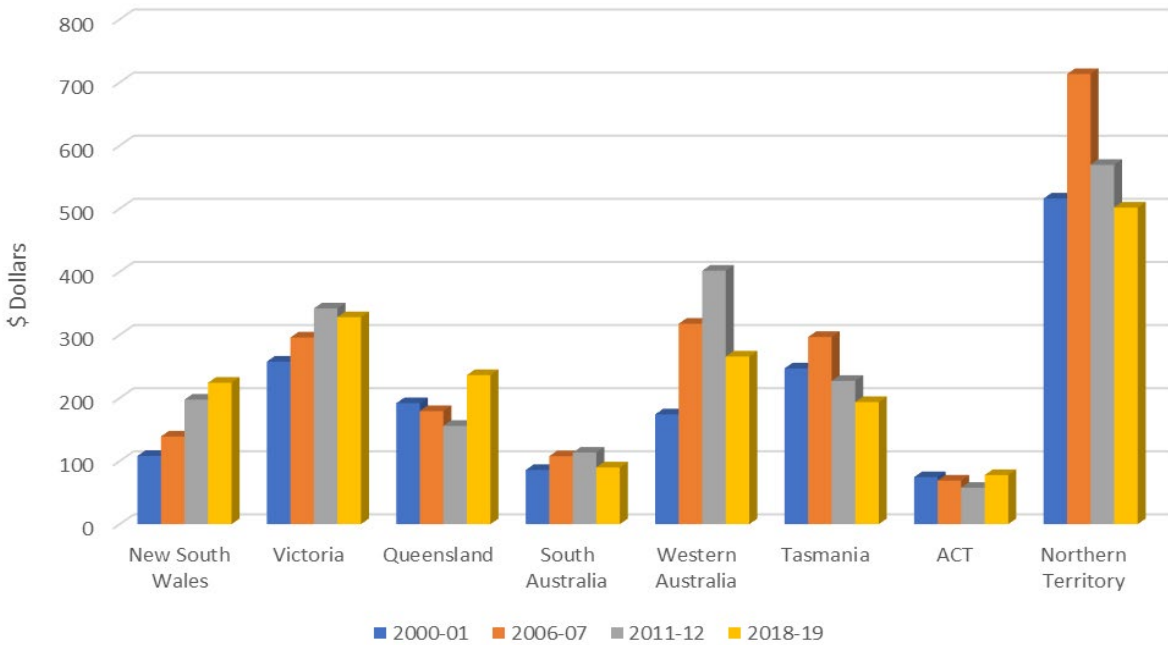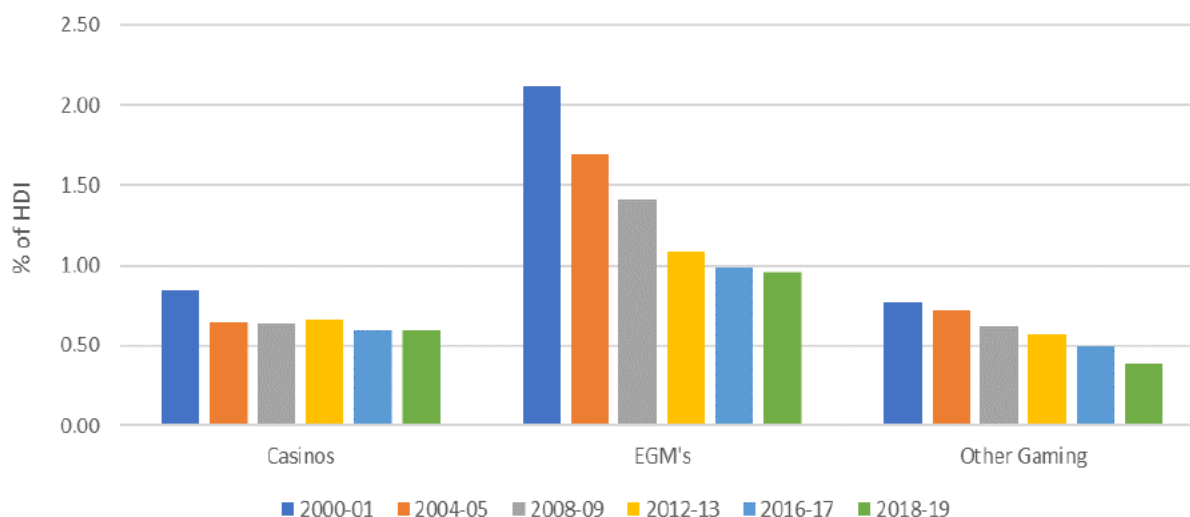*Figure Three: Gaming Expenditure in Victoria as a % of HDI 2000/01 – 2018-/19*

Source: Queensland Government Statistician's Office, Queensland Treasury, Australia, Australian Gambling Statistics, 36th edition, 2021.

Crown Melbourne operates 2,628 EGMs, equating to a 9% share of all EGMs in Victoria.[30]

As the second most populous Australian state Victoria is home to 15% of EGMs nationally, and Crown Melbourne has the third highest share of EGMs located in a single casino. Conversely, Victoria has almost the lowest state EGM density in the nation.

Figure Four: EGM Density in Australia 2018-19 (EGMs per 1,000 Adults 18+)

Source: Queensland Government Statistician's Office, Queensland Treasury, Australia, Australian Gambling Statistics, 36th edition, 2021.

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[29] *Victorian Government 2019-20 Statement of Finances*. Chapter 4. p161
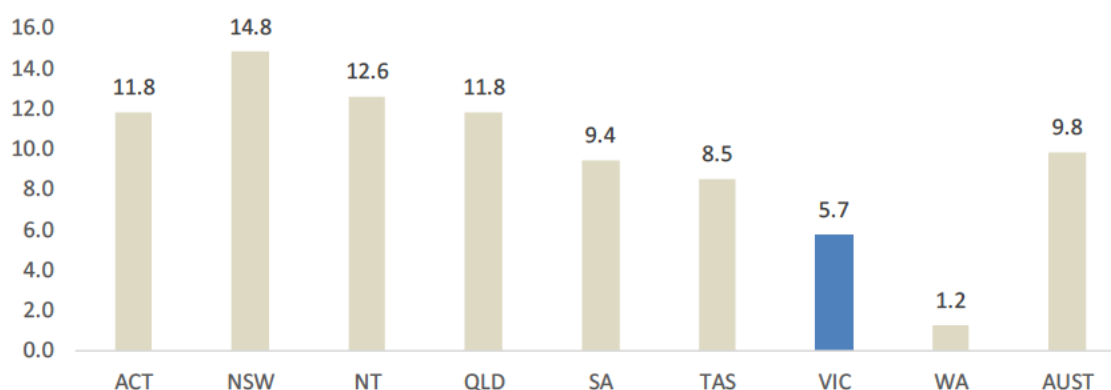[30] Queensland Government Statistician's Office, Queensland Treasury, Australia, *Australian Gambling Statistics, 36th edition, 2021*.

Gambling Participation in Victoria

While comparisons should only be undertaken with caution, studies conducted in other states show a somewhat lower overall population participation rate in gambling activities than that currently reported in Victoria.

The most recent Victorian study (2018-19) found that 8.8% of Victorian gamblers had spent money betting on casino table games in the previous 12-month period, with 87.3% of Victorian casino table games gamblers doing so at Crown Melbourne.[31] Just over one quarter of all Victorian EGM players (27.3%) also gambled at Crown Melbourne.[32]

Table Two: Proportion of Victorian Adults and Gamblers Participating in Gambling Activities

Proportion of Victorian Adults (18+) and Victorian Gamblers Participating in Gambling Activities (2018-19)		
Gambling activity	Proportion of Adults (%)	Proportion of Gamblers (%)
Lotteries	44.4	64.2
Raffle Tickets/Sweeps	37.4	54.0
Racing: Thoroughbred/Harness/Greyhound	19.8	28.7
Electronic Gaming Machines	**14.1**	**20.4**
Scratch Tickets	11.2	16.2
Casino Table Games	**6.1**	**8.8**
Sports Betting	5.8	8.3
Informal Private Betting	3.4	4.9
Keno	3.3	4.7
Bingo	1.5	2.1

Excerpted from Rockloff, M., Browne, M., Hing, N., Thorne, H., Russell, A., Greer, N., Tran, K., Brook, K. & Sproston, K. (2020), Victorian population gambling and health study 2018–2019, Victorian Responsible Gambling Foundation pp18 and 32.

The rate of participation in casino table games by Victorians has increased in the past decade (from 4.6% in 2008 to 6.1% in 2018-19) while the EGM participation rate (in the state overall) has dropped significantly in the same time frame from 21.5% in 2008 to 14.1% in 2018-19).

The majority of Victorians who play casino table games engage with this gambling form from one to six times a year. Those participating in weekly table game activity in 2018-19 were a very small percentage of those surveyed (0.5%).[33]

The Australian Gambling Research Centre reports that one-third of Victorian adults (36%, or around 1,587,709 adults) spent money on gambling activities in a typical month in 2015: "On average, past-year expenditure on gambling per *regular* participant was estimated as $1,268 for Victoria, similar to $1,272 among Australian adults. There were some (non-significant) differences between Victoria and Australia in terms of highest spend on different activities, but the magnitude was generally the same. For instance, annual average expenditure by Victorian adults on EGMs was $1,288 ($1,292 Australia), bingo $1,252 ($863 Australia), racing $1,211 ($1,308 Australia), poker $1,125 ($1,785 Australia), and sports $768 ($1,032)." [34]

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[31] Rockloff, M., Browne, M., Hing, N., Thorne, H., Russell, A., Greer, N., Tran, K., Brook, K. & Sproston, K. (2020), *Victorian population gambling and health study* 2018–2019, Victorian Responsible Gambling Foundation. p 43
[32] Ibid p93
[33] Ibid p98
[34] Tajin, R., Sakata, K., Khokhar, T. & Jenkinson, R. (2021), *Gambling participation and at-risk behaviour in problem gambling among Victorian adults*, Australian Gambling Research Centre, Australian Institute of Family Studies. p7

Problem Gambling in Victoria

Notwithstanding methodological differences that mean caution should be exercised when comparing even Victorian surveys over time, it is apparent that problem gambling prevalence has remained relatively static in the state since 2008, with some movement in moderate and lower risk PGSI groups.

Table Three: Victorian PGSI Categories, 2008, 2014 and 2018-19

PGSI Category	All Victorians		
	2008 (n=15,000)	2014 (n=13,554)	2018-19 (n=10,638)
NG (Non-gambler)	26.9%	29.9%	31.0%
NPG (Non-problem gambler)	64.3%	57.6%	59.2%
LRG (Low risk gambler)	5.7%	8.9%	6.7%
MRG (Moderate risk gambler)	2.4%	2.8%	2.4%
PG (Problem gambler)	0.7%	0.8%	0.7%

Base: All respondents.

Source: Excerpted from Rockloff, M., Browne, M., Hing, N., Thorne, H., Russell, A., Greer, N., Tran, K., Brook, K. & Sproston, K. (2020), Victorian population gambling and health study 2018–2019, Victorian Responsible Gambling Foundation p97.

In general terms, those experiencing gambling problems are more likely to consume multiple gambling products and in Victoria this group is no exception.

54.8% of the Victorian PGSI 8+group had participated in four or more gambling activities (compared with 14.8% of Victorian gamblers overall) in 2018-19.

Problem gamblers in the 2018-19 Victorian study were found to be more likely to play EGMs (69.3%), while 21.7% of the PGSI 8+ group were reported to have played casino table games.[35]

Problem gamblers were also found significantly more likely than non-problem gamblers to use the internet for gambling.[36]

Two decades of prevalence surveying in Australia more broadly suggests that problem gambling has a bi-nominal distribution with a male gendered peak in younger age brackets (18-24) and a gender-neutral peak in middle age brackets (45-55).

On a national basis problem gambling does not have a very strong socio-economic or cultural background - lower education levels are, however, modestly emphasised in most data sets.

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[35] Rockloff, M., Browne, M., Hing, N., Thorne, H., Russell, A., Greer, N., Tran, K., Brook, K. & Sproston, K. (2020), *Victorian population gambling and health study 2018–2019*, Victorian Responsible Gambling Foundation. p29
[36] Ibid p67

Victorian Economic Indices: Gambling Employment, Taxation and Tourism

The economic benefit of an industry can be measured by its investment into the local community and infrastructure, the direct and in-direct employment opportunities it provides and ongoing net-positive impact on the local economy.

Gaming generates significant direct benefits to the economy by, amongst other activities:

- Creating substantial employment and training opportunities both directly and indirectly for contractors, suppliers and several related industries (food & beverage, construction etc.);
- Attracting international and domestic tourism to the city of Melbourne and regional areas; and
- Indirect economic benefits, including significant taxation contribution.

The Crown Melbourne property hosts up to 19 million visitors per year. ACIL Allen Consulting have conducted assessments of the impact of Crown Resorts on Australia's GDP, finding in 2015 that Crown Melbourne alone generated $3.1 billion towards Australian GDP.[37]

Gaming venues more generally also serve a range of other social purposes. Whilst not easily measured in any economic sense, the enjoyment provided for the majority of adults by gambling as a source of entertainment, and the amenities Victorian venues provide as hospitality providers and social spaces, also contribute to the net benefit generated.

Taxation

The taxation of gambling activity in Victoria contributes a significant portion of annual state government revenue.

In 2018-19, $1.98 billion in Victorian government revenue was raised from taxes on gambling, contributing to over 8% of the state-own taxation revenues collected.[38]

Gambling tax in Victoria is generated via various methods (depending on the gambling form).

The Victorian Government imposes a tranche of distinct taxation measures on Crown Melbourne, and it remains a significant driver of government annual revenue in the state.

The $215m paid in real government revenue in 2018-19 by Crown Melbourne equates to over 30% of all casino-generated taxation in Australia. Further, if combining taxes paid to all levels of government, the Crown Melbourne is among the biggest taxpayers in the country, contributing over $600 million, to State, Federal and local governments in financial year 2018-19.[39]

Employment

IBISWorld estimates that the gambling industries directly and indirectly employed approximately 219,000 people in Australia 2019-20 across 17,000 establishments paying $8.6 billion in salary and

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[37] *Productivity Commission Research Paper: Australia's International Tourism Industry*, *A submission from Crown Resorts* < https://www.pc.gov.au/research/completed/international-tourism/comments/submissions/submission-counter/sub028-international-tourism.pdf>
[38] Victorian Department of Treasury and Finance: 2019-20 Statement of Finances <*https://www.dtf.vic.gov.au/2019-20-state-budget/2019-20-statement-finances*>
[39] Crown Resorts Limited (2020), *Crown Resorts Limited Annual Report 2020*.

wages.[40]   The same source reports that Australian casinos directly employed over 28,000 individuals, paying over $1.3 billion in wages.

In their 2020 Annual Report, Crown Resorts reported a staffing headcount of over 17,000 employees across their Australian resorts[41] with Crown the biggest single-site private sector employer in Victoria.

Indirect employment is more difficult to estimate for the sector. In 2015 Crown cited ACIL Allen estimates that the direct and indirect full time employment impact associated with both the Melbourne and Perth resorts was estimated to be up to 26,000 people.[42]

Training is another important value add to the community. In 2015 Crown Resorts reported that approximately 7,200 apprentices and trainees with nationally accredited qualifications had graduated from their Melbourne and Perth onsite training facilities.[43]

Tourism

Casinos and other gambling services generate significant economic activity in Australia via international and domestic tourism. In 2018-19 casinos added $773 million (Gross Value Added) to the Australian economy.

Table Four: Tourism Characteristic Industries Gross Value Added, Australia 2014/15-2019/20

Tourism characteristic industries GVA ($m)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20*
Casinos and other gambling services	610	661	690	730	773	587

*Source: Australian Bureau of Statistics (2020) 5249.0 Tourism Satellite Account: 2019/20 *COVID-19 Impacted*

Tourists from interstate and overseas who travel to Australia's integrated resorts also engage in other recreational activities at their destination, providing a flow on benefit to more broadly based tourism and hospitality providers.

Community Contribution

Crown Melbourne voluntarily funds multiple community programs and charities through the philanthropic work of the 'Crown Resorts Foundation'. Since its inception the Crown Resorts Foundation has allocated over $100 million to 330 grant recipients, funding multiple arts, community and cultural programs and charities.

Further programs include the Crown Resort's Indigenous Employment Program. This initiative has seen over 950 individuals employed in roles at Crown Resorts, while the CROWNability program has helped over 500 people with a disability gain employment across Crown Resorts organisations.

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[40] IBISWorld Industry Reports (2021), *R9201 Casinos in Australia 2019/20, C2499b Gaming and Vending Machines Manufacturing in Australia 2019/20, R9120 Horse and Dog Racing in Australia 2020/21, R9209 Horse and Sports Betting in Australia 2019/20, R9202 Lotteries in Australia 2019/20, H45020 Pubs, Bars and Nightclubs in Australia 2019/20 and H4530 Social Clubs in Australia 2019/20.*
[41] Crown Resorts Limited (2020), *Crown Resorts Limited Annual Report 2020.*
[42] *Productivity Commission Research Paper: Australia's International Tourism Industry, A submission from Crown Resorts* < https://www.pc.gov.au/research/completed/international-tourism/comments/submissions/submission-counter/sub028-international-tourism.pdf>
[43] Ibid

The Social Impacts of Problem Gambling

> *Please note: The AGC has been asked to address the impacts of problem gambling. Given the time limitations for submission we have not taken any systematic approach nor reviewed all the available literature. Rather, we have sought to provide examples and some limited discussion of the complexities in this area for information purposes.*

In a public health approach, both the social impacts as well as the positive effects associated with gambling are recognised.[44]

Reports investigating gambling related problems largely describe impacts over financial, personal, familial, social, vocational and legal domains including:

- Financial difficulties ranging from debts incurred to failure to meet daily living obligations, loss of assets and bankruptcy;
- Personal harms encompassing psychological symptoms of stress and anxiety, depression and suicidal ideation/attempts, substance abuse, and homelessness;
- Family and marital friction/conflicts including domestic arguments and violence, separation and divorce, and the attendant impacts of family dysfunction and divorce on children;
- Failure to meet social obligations resulting in interpersonal conflicts and/or loss of friends, and increased social isolation and withdrawal;
- Employment problems such as work-related conflicts arising from impaired capacity to work effectively due to stresses and poor concentration, absenteeism, and termination of employment;
- Legal proceedings for criminal offences related to gambling and;
- Impaired academic performance due to stresses and distractions with gambling.[45]

There is no consensus regarding the appropriate theoretical and methodological approach to studying these impacts.

Using a Cost Benefit Analysis ("CBA") framework to assess net impacts has been the path taken by the Productivity Commission ("PC") in Australia in their reports on gambling published in 1999 and 2010.[46]

The PC reported in 2010 that, while it was not possible to be definite, nationally in 2008-09:

- The benefits from tax revenue and enjoyment of gambling for recreational gamblers ranged between $12.1 and $15.8 billion;

- The costs to problem gamblers ranged between $4.7 and $8.4 billion; and

- The overall net benefits ranged between $3.7 and $11.1 billion.[47]

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[44] Latvala, T., Lintonen, T. & Konu, A. (2019), Public health effects of gambling – debate on a conceptual model *BMC Public Health* 19:1077.

[45] Blaszczynski, A., Anjoul, F., Shannon, K., Keen, B., Pickering, D. & Wieczorek, M. (2015), *Gambling Harm Minimisation Report*, NSW Government Department of Trade & Investment Office of Liquor, Gambling and Racing pp25-26. These are largely the domains outlined by the Productivity Commission ("PC") in their 1999 national report on Australia's Gambling Industries. Original data for 1999 discussion of the impacts of problem gambling estimates was generated through the PC's own purpose-built surveys (including a prevalence survey, and a national survey of the clients of counselling agencies). The PC updated 1999 report cost estimates for the impacts of gambling for their report in 2010.

[46] Productivity Commission (1999), *Australia's Gambling Industries,* Report No. 10, Canberra and Productivity Commission (2010), *Gambling*, Report No, 50, Canberra.

[47] Productivity Commission (2010), *Gambling*, Report No, 50, Canberra, p 6.1

The difficulties that beset CBA studies of this nature have been identified as:

- a lack of agreement about what costs should be included (or accorded a monetary value);
- a need for relevant, up to date data upon which to base estimates;
- issues of causality – and the extent to which various adverse impacts can be attributed to gambling problems as opposed to other factors, including co-morbid problems; and
- the need to establish a valid counterfactual providing policy makers with information about the extent to which social costs can be reasonably addressed through policy intervention.[48]

Owing to these difficulties, CBA studies have usually provided a broad range of reported figures.

For instance, the Victorian Competition and Efficiency Commission ("VCEC") estimated in 2012 that the social and economic costs of problem gambling in Victoria could be estimated as between $1.5 and 2.8 billion.[49] More recently, a 2017 study by Central Queensland University ("CQU") estimated the social and economic cost of problem gambling (CPGI 8+) in Victoria to be $2.4 billion in 2014-15.[50]

Both 2012 and 2017 costs studies in Victoria reported only on negative impacts, with any net finding outside of their scope.

Further, CBA studies in Australia have included costs ordinarily understood in most economic models to be either personal costs or transfers.

Financial Impacts and Problem Gambling

The quantum of gambling expenditure estimated by those experiencing problems is often referenced in discussion of harm minimisation, largely as other impacts may flow from unsustainable monetary losses.

At what point the expenditure of any individual becomes excessive is a relative concept - proportionate to the financial position of the gambler, their income and their other financial responsibilities (including to significant others).

CBA studies have sought to find a "normal" level of gambling expenditure (generally with reference to survey data from non-problem gamblers) to estimate the share that can be attributed to those experiencing problems.

Just one of the difficulties involved in such methods include that self-reported expenditure data is inherently unreliable.[51] As the VCEC noted in 2012, the PC's 2010 estimated expenditure shares were based on self-reported and incomplete survey data. The VCEC recognised its own estimate of

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[48] Victorian Competition and Efficiency Commission (2012), *Counting the Cost: Inquiry into the Costs of Problem Gambling*, *final report*, December. p5.
[49] Ibid p8.
[50] Browne, M., Greer, N., Armstrong, T., Doran, C., Kinchin, I., Langham, E. & Rockloff, M. (2017), *The social cost of gambling to Victoria*, Victorian Responsible Gambling Foundation, Me bourne. Further costs totalling $7billion were then calculated by CQU (based largely on their 2016 report into harm in Victoria). These were found to arise from the PGSI's lower risk categories and other non-gambler specific costs.
[51] See for instance Wood, R. & Williams, R. (2007), How much money do you spend on gambling?" The comparative validity of question wordings used to assess gambling expenditure, *International Journal of Social Research Methodology: Theory & Practice*, Volume 10 (1), 63-77.

problem gambler expenditure (a figure between $1 billion and $1.4 billion in 2010-11) as "based on a range of data sources and technical assumptions" and, as such, "inherently imprecise".[52]

Official bankruptcy statistics attributable to gambling (reported through the Australian Financial Security Authority ("AFSA")[53] provide another example of the data difficulties that can be encountered when seeking accurate financial impact estimates with regard to problem gambling.

Bankruptcies estimated as caused by gambling problems in Victoria were found (in 2010-11) to range from a lower bound of 160 (derived from ITSA/AFSA reporting) to an upper bound of 1,800 (or 6% of problem gamblers, a figure based on 2003 Victorian survey data).[54] A similar figure (7% of the PGSI 8+ group) experienced bankruptcy according to estimates reported by CQU (for 2014-15). This latter figure was drawn, as was the upper bound figure reported by the VCEC, from prevalence survey data.[55]

As the VCEC noted in 2012, caution is required with regard to estimates of this nature. Official statistics likely result in under-reporting,[56] whereas the prevalence rates derived from surveys create issues of statistical reliability and possible over-estimates.[57]

Mental Health Impacts and Problem Gambling

Figure Five: Australian Unity Wellbeing Index average scores (out of ten) for satisfaction with life as a whole, overall and by PGSI (2018-19)
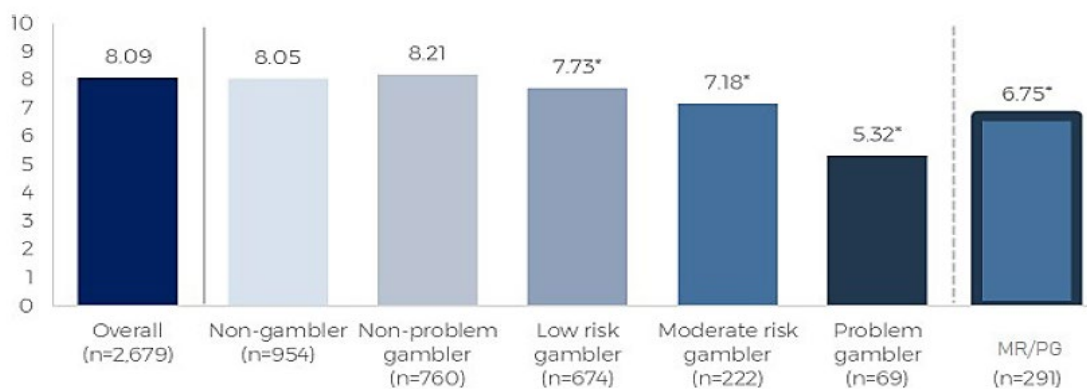
Thinking about your own life and personal circumstances, how satisfied are you with your life as a whole? Base: Sub-sampled (n=2,679). * significant differences from the overall mean.

Source: Excerpted from Rockloff, M., Browne, M., Hing, N., Thorne, H., Russell, A., Greer, N., Tran, K., Brook, K. & Sproston, K. (2020), Victorian population gambling and health study 2018–2019, p 74

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[52] Victorian Competition and Efficiency Commission (2012), *Counting the Cost: Inquiry into the Costs of Problem Gambling*, *final report*, December. p105

[53] <https://www.afsa.gov.au/statistics/causes-personal-insolvency> Previously the Insolvency and Trustee Service Australia ('ITSA').

[54] Victorian Competition and Efficiency Commission (2012), *Counting the Cost: Inquiry into the Costs of Problem Gambling, Final Report* December. p133.

[55] Browne, M., Greer, N., Armstrong, T., Doran, C., Kinchin, I., Langham, E. & Rockloff, M. (2017), *The social cost of gambling to Victoria*, Victorian Responsible Gambling Foundation, Me bourne. p53

[56] AFSA statistics include bankruptcies from multiple causes and, as the VCEC noted in 2012, bankruptcies due to gambling or speculation could also be reported under other AFSA headings owing to penalties (albeit rarely invoked) under Commonwealth legislation: *Bankruptcy Act 1966* (Cth), s27(a).

[57] Victorian Competition and Efficiency Commission (2012), *Counting the Cost: Inquiry into the Costs of Problem Gambling*, Final Report December. p133

While the non-problem gambler cohort in the 2018-19 *Victorian Population Gambling and Health Study* recorded the highest wellbeing index scores for satisfaction with life, the same study found that those experiencing problem gambling recorded markedly lower scores. In the same study, two in five problem gamblers were categorised as being in a high state of distress compared to 5% of Victorians.[58]

There is "consistent evidence that problem gambling is significantly associated with a high prevalence of depressive symptomatology".[59] Numerous previous Victorian prevalence surveys have similarly reported very high rates of depression in those experiencing gambling problems – as well as significantly elevated levels of anxiety and stress and co-morbid health states such as nicotine dependence and alcohol use.

Cross-sectional research designs are, however, not suitable for illuminating the direction of causality in more depth. Simply put, it can be very difficult to disentangle gambling from other issues which may be occurring in the life of any individual in psychological distress.

As other research has reported, anxiety, depression and mental health issues may not just be caused by gambling but may also influence gambling behaviour. This is "consistent with research into people's motivations to gamble; where, compared to non-problem gamblers, problem gamblers are significantly more likely to engage in gambling behaviour as a result of their psychological state, such as when they are feeling down or depressed."[60]

Likewise, studies throughout Australia, and internationally, report high rates of suicidal ideation in those experiencing severe gambling problems.

In the 2008 Victorian Epidemiological Study, 27.06% of problem gamblers reported having considered taking their own life in the past year (a deeply concerning number). The same study also reported that 47.63% of problem gamblers reported experiencing significant levels of trauma, hardship and problems in their life or upbringing and a lesser likelihood of feeling socially connected or able to access help from friends or family if needed. [61]

Victoria has undertaken studies of coronial records in an attempt to further understand gambling problems and self-harm.

In 1998 Blaszczynski and Farrell concluded that, overall, 1% (or 44 cases) of the total number of Victorian suicide deaths during the period 1990-97 could be attributed to gambling. As these authors pointed out, "caution needs to be applied in the interpretation of these figures because it is unclear to what extent other co-morbid factors might have contributed".[62] Similar cautions with

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[58] Rockloff, M., Browne, M., Hing, N., Thorne, H., Russell, A., Greer, N., Tran, K., Brook, K. & Sproston, K. (2020), *Victorian population gambling and health study 2018–2019*, Victorian Responsible Gambling Foundation p77

[59] Delfabbro, P. (2011), *Australasian Gambling Review,* 5th Edition 1992-2011, Report prepared for the Independent Gambling Authority of South Australia p114

[60]Blaszczynski, A., Anjoul, F., Shannon, K., Keen, B., Pickering, D., and Wieczorek, M. (2015), *Gambling Harm Minimisation Report*, NSW Government Department of Trade & Investment Office of Liquor, Gambling and Racing p34

[61] Schottler Consulting Pty Ltd (2009), *A Study of Gambling in Victoria: Problem Gambling From A Public Health Perspective*, Department of Justice (Victoria) p218-220.

[62] Delfabbro, P. (2011), *Australasian Gambling Review,* 5th Edition 1992-2011, report prepared for the Independent Gambling Authority of South Australia p 116. During the period 1994-97 this number was 1.7%.

regard to causality and co-morbidity were drawn in a study by the Victorian Coroner's Court in 2000[63] and a 2005 Victorian report prepared by the SA Centre for Economic Studies.[64]

A more recent (2020) study conducted on a national community-based twin sample has looked at the temporal relationship and underlying causes of the association between gambling problems and suicidality. It found that, in the majority of instances of co-occurring problem gambling and suicidality, "suicidality actually preceded the onset of gambling disorder".[65]

While available statistics may vary in differing studies, what can be drawn clearly from any discussion of gambling problems and mental health is that they are both highly correlated and bi-directional.

Problem gambling can undoubtedly manifest in deleterious and sometimes very severe mental health impacts while, conversely, poor mental health states, trauma, hardship, alcohol and substance abuse as well as a lack of social support have all been reported as very significant risk factors for risky, harmful and problem gambling.

Gambling Problems and Family Relationships

Significant emotional and financial burdens may impact the families, friends and loved ones of those experiencing gambling problems.

In the Productivity Commission's 1999 national survey "20% of problem gamblers admitted to having insufficient time for their families as a result of gambling (and 14% reported experiencing this problem in the previous year). Approximately 11% said that gambling contributed to the break-up of a significant relationship, and 9% reported that this had led to a permanent separation".[66]

In the 2018-19 Victorian gambling and health study, the three most commonly reported effects experienced by significant others were feeling distressed about the other person's gambling (80.0%), experiencing increased tension in relationships (64.3%), and feeling angry at the person for not controlling their gambling (63.3%).[67]

Interpersonal Violence (IPV) has been linked to problem gambling with the relationship between the two undoubtedly complex.

Studies in this domain suggest that financial losses, conflict and stress can lead to both violence by those experiencing gambling problems against family members and the perpetration of violence by

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[63]Graham, A. (2000), *Victorian Suicides during the Year 2000 Initial Brief Report Focusing on Gambling Related Issues*, Victorian State Coroner's Office cited in South Australian Centre for Economic Studies (2005), *Community Impacts of Electronic Gaming Machine Gambling (Part A)*, Report prepared for the Victorian Gambling Research Panel p129-141

[64] South Australian Centre for Economic Studies (2005), *Community Impacts of Electronic Gaming Machine Gambling (Part A)*, Report prepared for the Victorian Gambling Research Panel pp 129-141

[65] Slutske, W., Davis, C., Lynskey, M., Heath, C. & Martin, N. (2020), Gambling Disorder and Suicidality, submitted to Clinical Psychological Science. The significant associations of gambling disorder with suicidal thoughts, plans and attempts appeared to be primarily due to common genetic factors among women, and potentially due to a causal relation between gambling disorder and suicidality in (some) men. See also Giovanni M., Fabiola S., Federica F., Mariangela C., Nicola P., et al. (2017), Gambling Disorder and Suicide: An Overview of the Associated Co-Morbidity and Clinical Characteristics, *International Journal of High Risk Behaviours and Addiction.* 2017; 6(3):e30827. doi: 10.5812/ijhrba.30827.

[66] Delfabbro, P. (2011), *Australasian Gambling Review 5th Edition (1992-2011),* Independent Gambling Authority of South Australia p125

[67] Rockloff, M., Browne, M., Hing, N., Thorne, H., Russell, A., Greer, N., Tran, K., Brook, K. & Sproston, K. (2020), *Victorian population gambling and health study 2018–2019,* p109

family members against the gambler. (It has also been said that some people gamble as a mechanism to cope with being a victim of family violence).[68]

As a systematic review for the Australian Gambling Research Centre has reported:

> "Regardless of whether gambling problems or family violence comes first, the findings of the systematic review suggest that several factors are implicated in the relationship between gambling problems and IPV. Less than full employment and anger problems seem to exacerbate the relationship between gambling problems and being a victim of IPV while younger age, less than full employment, anger problems, impulsivity and alcohol and drug use seem to exacerbate the relationship between gambling problems and perpetrating IPV. These findings highlight the need for public health and treatment services to routinely screen and assess for a range of issues including gambling problems, family violence, alcohol and drug use problems and mental health issues and provide treatments designed to manage this cluster of conditions".[69]

A large and recent research report in Australia on this subject has similarly concluded that both physical and economic abuse can be exacerbated by problem gambling:

> "Where gendered drivers of violence against women are present, problem gambling exacerbates IPV against women, intensifying abusive behaviours due to the severe stresses that problem gambling places on individuals and relationships, and through organisational, systems and societal factors that reinforce problem gambling and gambling-related IPV".[70]

Crime

Regulated gambling opportunities have been put in place by Governments around the world to reduce the very detrimental criminal activity associated with illegal operations. Even so, the PC observed that, once legal sources of gambling funds are exhausted, some people experiencing gambling problems may resort to criminal activities to obtain money.[71]

Queries have been made of participants in Victorian prevalence surveys regarding criminal activity. In 2008 the Victorian Epidemiological Study reported that approximately 15.17% of problem gamblers said their gambling "led them to do something that is technically against the law".[72]

A 2016 Victorian exploration of harm conducted by CQU asked respondents whether they had committed a crime towards government, business or other people (not family or friends) due to their gambling (over a 12-month period) with 12.3% of problem gamblers indicating that they had.[73]

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[68] Australian Gambling Research Centre, The *Impact of Gambling Problems on Families*
<https://aifs.gov.au/agrc/publications/impact-gambling-problems-families> accessed 24 May 2021.
[69] Dowling, N. (2014), *The Impact of Gambling Problems on Families,* Australian Gambling Research Centre. p5
[70] Hing, N., O'Mullan, C., Nuske, E., Breen, H., Mainey, L., Taylor, A., … Rawat, V. (2020), The relationship between gambling and intimate partner violence against women (Research report, 21/2020). Sydney: ANROWS. p5
[71] Productivity Commission (1999), *Gambling,* Report No 50, Canberra. p7.59
[72] Schottler Consulting (2009), *A Study of Gambling In Victoria - Problem Gambling from a Public Health Perspective*, Department of Justice, Victoria. p18
[73] Browne, M., Greer, N., Armstrong, T., Doran, C., Kinchin, I., Langham, E. & Rockloff, M. (2017), *The social cost of gambling to Victoria*, Victorian Responsible Gambling Foundation, Me bourne.p72

More broadly, there are reports published regarding financially motivated crimes[74] and studies reporting large frauds committed to fund gambling or repay debt[75] but little by way of systematic recent reporting - and it is likely that a proportion of income generating crimes may go unreported.

Key findings from Victorian Department of Justice research in 2013 included that:

- Data currently collected and held within Victoria's criminal justice system cannot be relied upon to produce an accurate indicator of the volume and nature of problem gambling-related crime in Victoria,

- Analysis of data held by Victoria Police, the Victorian Supreme and County Courts and the National Coroners Information System suggests levels of gambling-related offending ranging from 1.2 to 4.3 per cent, and

- Gambling-related offenders appearing before the Victorian Supreme Court of Appeal, Supreme or County Courts for the calendar years 2007 and 2008 most commonly committed crimes to fund their gambling (74%) and/or to repay gambling-related debt (38%).[76]

While not common, diversion courts have been established in an international (and one Australian) jurisdiction to hear cases involving gambling related offending and offer a treatment focussed, rather than a punitive model.[77]

In South Australia, intervention programs in the Treatment Intervention Court "aim to provide an alternative to detention for people in the criminal justice system who have behavioural conditions, such as substance dependence and problem gambling and/or mental health or mental impairment issues, which contribute to their offending".[78]

Productivity and Employment

In 1999 the Productivity Commission considered gambling to impact productivity loss owing to time taken from work to gamble (and the impact of depression upon work performance), income loss whilst unemployed, the financial cost of a job search to the individual and the cost to employers of finding and training replacement staff.

A national review from 2011 reports that (when averaged across different studies) approximately 20% of problem gamblers in community studies and 50% of those in treatment services report an experience of disruptions to their work as a result of gambling.[79]

CQU's 2016 exploration of harm has reported more recently that 30.4% of problem gamblers in Victoria can be considered to have lost work productivity, 11.1% have reported job loss as a result of gambling problems and 20.7% reported being absent from work.[80]

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[74] Wheeler, S., Round, D. and Wilson, J. (2010), *The Relationship between Crime and Gaming Expenditure in Victoria,* Office of Gaming and Racing, Department of Justice.
[75] See for instance Warfield and Associates (2018), *Gambling Motivated Fraud in Australia 2011-2016* <https://warfield.com.au/wp-content/uploads/2016/08/Gambling-Motivated-Fraud-in-Australia-2011-to-2016.pdf>
[76] Perrone, S., Janssons, D. & Morrison, L. (2013), *Problem Gambling and the Criminal Justice System*, Victorian Responsible Gambling Foundation pp 9-10
[77] See for instance the Nevada Gambling Treatment Diversion Court <https://nvbar.org/meet-your-gtdc-team-nevadas-first-gambling-treatment-diversion-court/ > accessed 25 May 2021.
[78] See for instance SA Magistrates Court Diversion Program <http://www.courts.sa.gov.au/OurCourts/MagistratesCourt/InterventionPrograms/Pages/Magistrates-Court-Diversion-Program.aspx> accessed 25 May 2021.
[79] Delfabbro, P. (2011), *Australasian Gambling Review 5th Edition (19992-2011),* Independent Gambling Authority of South Australia p127

Casinos – Rationales for their Development

A report conducted for Gambling Research Australia in 2015 identified five "waves", or stages of development of the Australian casino industry noting "some of the major legislative and public policy decisions in Australia since 1900 to effectively liberalise gambling reflect changes in social values, awareness of the revenue that was being derived from more limited forms of legal gambling, attempts to control the illegal gambling market, responses to economic recession and developments in technology".[81]

Crown Melbourne opened during a "third wave" of casino development (1992-97), an era of rapid growth in which the two most populous states in the nation, Victoria and NSW, both legalised casinos.[82]

As the Bergin Inquiry Report stated, the NSW and Victorian Governments worked together to draft initial casino control legislation in both states, with a large part of the legislation concentrated on structural and probity arrangements and the role of the regulator.[83]

Casino legislation and regulation throughout the states and territories of the Australian federal system can be described as evolving in a somewhat bespoke fashion pertinent to this particular operator type:

> Casino operators are generally subject to specific agreements with state and territory governments covering such matters as the type of operation, the number and type of gaming tables (and game rules, prizes, house take etc), the number and type of gaming machines permitted, the design and layout of the venue, surveillance procedures and arrangements for internal and external auditing and revenue verification. Probity checks on operators and staff are routine, and processes for obtaining a licence tend to be extensive and lengthy, subject to considerable political scrutiny and debate.[84]

The regulatory structure for Australian casinos is distinctive, with the rationales for this treatment summarised as:

- concerns about potential for links between casinos and organised crime;
- a belief that a large casino development may facilitate economic development and generate tourism;
- the taxation potential of limiting casino numbers (special licence fees and taxes apply); and
- concerns about adverse social impacts of gambling (which may or may not be specific to casinos).[85]

Regulatory differences remain with regard to casinos around Australia to this day, with relevant legislation structured with particular regard to the complexity, size and magnitude of gaming limits within each property.

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[80] Browne, M., Greer, N., Armstrong, T., Doran, C., Kinchin, I., Langham, E. & Rockloff, M. (2017), *The social cost of gambling to Victoria*, Victorian Responsible Gambling Foundation, Me bourne. pp67-70
[81] South Australian Centre for Economic Studies, University of Adelaide and ORC International Pty Ltd (2015), *Responsible Gambling and Casinos*, Gambling Research Australia. p9
[82] Ibid
[83] *Report of the Inquiry under section 143 of the Casino Control Act 1992 (NSW)*, Volume 1, Paras 8-20 (pp 30-32)
[84] Productivity Commission (1999), *Australia's Gambling Industries,* Report No. 10, Ausinfo, Canberra p13.20-21
[85] Ibid

Casinos generally:

- host a large number of customers;
- offer a wide variety of gaming options;
- have higher price points for gaming activity;
- employ sophisticated surveillance and security facilities;
- are required to have a very high standard of operator and employee probity, systems sophistication and supporting operations infrastructure; and
- there is a public perception of a high level of risk.[86]

Larger casino properties today are often referred to as Integrated Resorts – a reference to the fact that they are "destination venues" providing not only gaming but a wide range of entertainment and hospitality infrastructure that may include restaurants, bars, nightclubs, events and conferencing facilities, hotel accommodation and retail outlets.

Harm Minimisation, Responsible Gambling Requirements and Best Practices

The Regulatory Environment

Concerns to minimise the negative impacts of problem gambling to both individuals and the community more broadly remain a rationale for strict regulation of the gambling industries, the prevention, harm minimisation and treatment measures that have been put into place and the voluntary responsible gambling initiatives that have arisen.

Australia has had a mature land-based gaming environment for more than a decade and, in comparison to some international jurisdictions, a concerted focus has been placed on strengthening regulatory reforms to protect the public health and interest for many years.

In Victoria, as in other Australian jurisdictions, casino specific responsible gambling requirements are affected through "a combination of Acts of Parliament (and associated regulations), licence conditions and codes of conduct (whether mandatory or voluntary)." [87]

These include (but may not be limited to):

- The *Casino Management Agreement Act 1993*
- The *Liquor Control Reform Act 1998*
- The *Casino Control Act 1991 (which is associated with more 10 sets of regulations)*
- The *Gambling Regulation Act 2003*
- The *Gambling Regulations 2015*
- The *Gambling Regulation (Pre-commitment and Loyalty Scheme Regulations) 2014* and
- Ministerial Directions and other similar instruments - including the requirement, as a condition of holding a licence, to have an approved Responsible Gambling Code of Conduct.

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[86] The Allen Consulting Group (2009), *Casinos and the Australian Economy,* Report to the Australasian Casino Association. p59
[87] South Australian Centre for Economic Studies, University of Adelaide and ORC International Pty Ltd (2015), *Responsible Gambling and Casinos*, Gambling Research Australia. p79

Legislation and regulation govern not just the operations but also the products made available at any Australian casino.

The Victorian regulatory regime allows the Melbourne Casino to have open up to 540 tables (including 100 exclusively for variants of poker) and up to 1,550 automated table games terminals.

With regard to table games "every proposed gambling product whether it is a game, a game variation, a side-wager, or a jackpot must be submitted by Crown to the VCGLR for approval. In its application to the VCGLR, Crown must state the theoretical house edge of each product and submit mathematical evidence of house edge calculations.   The VCGLR verifies the house edge independently, using accredited testing facilities as part of its assessment process".[88]

Likewise, EGMs are subject to approval and testing processes via government regulatory authority.

Every aspect of EGM design and operation is governed by stringent legislation, regulation and standards to ensure that integrity, fairness, probity and harm minimisation objectives are upheld.[89]

As found when a test of gaming machine design through a consumer law lens was brought before the Federal Court in 2018, the regulatory framework for EGMs in Victoria is "not only comprehensive, (but) it contains a number of restrictions which are expressly directed to ensuring that consumers who gamble on EGMs do so in ways which do not involve unfairness, disguise or false encouragement."[90]

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[88] Victorian Commission for Liquor and Gaming Regulation (2018), *Sixth Review of the Casino Operator and Licence* (June 2018). p141
[89] See for example section3 1.1(2) and 3.1.2 of the *Gambling Regulation Act 2003 (Vic)* and the *Gaming Machine National Standards* and *Victorian Appendix*. <https://www.vcglr.vic.gov.au/resources/data-and-research/gambling-data/technical-standards-gambling-industry>
[90] *Guy v Crown Melbourne Limited* (No 2) [2018] FCA 36, 515 (Mortimer J).

Victorian Prevention, Harm Minimisation and Treatment Measures in Brief

A multi-faceted suite of initiatives that seek to prevent and minimise harm have been put into place under the Victorian legislative framework over the course of the past twenty years. In very broad terms, these measures may include but are not limited to:

Primary strategies to reduce the incidence of gambling-related harms and promote informed choice such as:

- Prohibitions on the access of minors to gambling and gambling products – to delay onset of gambling;
- Community awareness campaigns, information materials and education programs to prevent risky behaviours and stimulate treatment seeking; and
- Requirements for the provision of information on game rules, odds, rates of return – to ensure consumer sovereignty.

Industry delivered strategies such as:

- Consumer assistance commitments (including Responsible Gambling Codes of Conduct);
- Staff training programs (of various levels) focusing on the identification of, and provision of assistance to, gamblers who may be experiencing problems/at risk;
- Restrictions on ATMs and EFTPOS (ATMs are permitted in the Crown Melbourne complex, but must be more than 50m from any entrance point to the gaming floor, while ATMs are not permitted at hotel/club venues);
- A statewide voluntary pre-commitment program to assist consumers in both keeping track of, and limiting, time and expenditure on EGMs (Crown Melbourne has a similar program in place for Fully Automated Table Games);
- The provision of Player Activity Statements (where a loyalty program is made available);
- Self-exclusion programs;
- The provision of information about gambling support services and gambling help counselling services;
- Caps on EGM numbers;
- Warnings and messaging attached to gambling products/terminals;
- Limits to Bank Note Acceptors on EGMs;
- A maximum bet limit of $5 for EGMs (unrestricted EGMs may be used in specified areas at Crown Melbourne provided a pre-commitment limit has been set);
- Cheque payment requirements for wins on EGMs over $2000;
- Restrictions or bans on advertising and promotional activity;
- Venue lighting and other environmental requirements (such as the provision of clocks on EGMs);
- Restrictions/prohibitions on smoking; and
- Restrictions/prohibitions upon the provision of alcohol.

Treatment strategies (generally provided by government and/or other funded community agencies) that include:

- Gambling assistance hotlines and websites;
- Self-help strategies and peer support groups; and
- Government funded counselling services providing psychological interventions, treatments and financial counselling/assistance.

Crown Melbourne has additionally put in place a number of voluntary initiatives, including a dedicated Responsible Gaming Centre, designed to support responsible gambling practices within the casino and assist those customers experiencing difficulty.

A comparison of select harm minimisation measures in Australian casinos is provided below:

Harm Minimisation Measure	ACT	NSW	NT	QLD	SA	TAS	VIC	WA
Self-Exclusion Program	✓	✓	✓	✓	✓	✓	A Self-Exclusion program is maintained, promoted and enforced at Crown Melbourne. Provision of exclusion for Casino patrons is via the Responsible Gambling Centre, which operates 24/7.	✓
Third-Party Exclusion	✓	✓	—	✓	✓	✓	Crown Melbourne offers third party exclusion to provide support to individuals who are concerned about the effects a person's gambling behaviour may be having on themselves and/or others.	✓
Exclusion Expiry/Revocation requirements	✓	✓	✓	✓	✓	✓	A Self Exclusion is for a minimum period of twelve (12) months, with longer options available. Crown will maintain the Self Exclusion until it is revoked in writing by Crown. An application to revoke a Self-Exclusion may be made after the minimum nominated period has passed. Applicants are required to successfully complete the revocation process before being permitted to return to the Casino, which includes counselling and a meeting with the RG Team. A Gaming Resumption Information Program (GRIP) is available to assist patrons that may resume gaming at Crown.	✓
Facial Recognition Technology	—	✓	—	✓	✓	—	Crown Melbourne has utilised FRT for various applications for several years including detecting banned patrons and self-excluded gamblers.	✓
Restrictions on Inducements	✓	✓	—	✓	✓	✓	The Responsible Gambling Code of Conduct includes Crown Melbourne's policy on promotions to customers, reflecting their commitment to delivering services in a responsible manner.	✓
ATM Location Restrictions	✓	✓	✓	✓	✓	✓	ATMs and alternative cash access facilities are not permitted in the casino or in an area that is less than 50 meters distance away from an entrance to the casino.	✓
Prohibition on "Auto-Play"	✓	✓	✓	✓	✓	✓	Each spin or wagering of credits can only be initiated by a distinct and separate activation of the machine by the player (unless the gaming machine is operating in unrestricted mode in an approved "specified area").	✓
Player Information Display	—	—	—	✓	✓	✓	Gaming machines must adhere to a range of Player Information Display (PID) requirements as specified in the Victorian Appendix to the National Standard.	✓
Restrictions on service of alcohol while gambling	✓	✓	✓	✓	✓	✓	A casino operator must not knowingly allow a person who is in a state of intoxication to gamble or bet in the casino.	✓
On-site Responsible Gambling Officer	✓	✓	✓	✓	✓	✓	Crown Melbourne has a purpose-built Responsible Gaming Centre (RGC) with a dedicated Responsible Gaming (RG) Team on site 24/7 days a week, to assist customers. The RGC also offer onsite counselling and employs three accredited psychologists as well as offering a Chaplaincy support service.	✓
Voluntary Pre-Commitment Program	✓	✓	—	✓	✓	—	All gaming machines in the State are required to provide pre-commitment functionality through the state-wide program known as YourPlay. YourPlay is a voluntary program allowing players the ability to track and set a time limit or net loss limit on their gaming machine play across Victoria. Crown loyalty program members are also able to set voluntary spend and/or time limits when playing Fully Automated Table Games using Play Safe Limits.	✓

Casinos and the Responsible Provision of Gambling

Much as the size and scale of casinos provides the rationale for a greater degree of regulation and regulatory oversight, the benefits of scale in this sector can also assist in the provision of sound responsible gambling practices.

- Casinos have a strong security presence and surveillance systems - assisting in both the preclusion of entry by minors and those who are excluded/self-excluded;

- Casinos have a larger body of employees, enabling scope for interaction with gaming customers and an escalated response to consumers (according to the risk profile identified);

- Casinos have the resources to fund, and the benefit of a single site in which to house, dedicated responsible gaming teams and dedicated spaces for responsible gaming consumer assistance/support; and

- Casinos have a relative technological sophistication and, as single sites, have the capacity to harness in house purpose-built technologies designed to assist responsible gambling outcomes.

Identifying and Achieving Best Practice

AGC members subscribe to a belief that "to achieve their principal aim, harm-minimisation strategies should be based on empirical evidence demonstrating their effectiveness in achieving their intended objectives for targeted individuals".[91]

This approach should prevail across the spectrum of measures to address problem gambling and harm, in order to ensure that steps taken are:

- scaled appropriately,
- capable of evaluation, and
- fit for purpose (without introducing additional unforeseen consequences for consumers or costs in ineffective change).

What may constitute 'best practice' in responsible gambling is, as the passage of legislation, regulation, and voluntary initiatives undertaken in Victoria would attest, a process of trial, evaluation, learning and evolution.

There is no internationally agreed standard defining best practice for casinos in the land-based gaming environment of which the AGC is aware, although there is at least one well respected and internationally known accreditation process available.[92]

Around the world casinos vary in size and by the products they are legally able to provide in the jurisdiction in which they are situated.

Some casinos are operated under licence and others by governments themselves through state entities created for that purpose.

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[91] Gainsbury, S., & Blaszczynski, A. (2012), Harm minimisation in gambling. In R. Pates & D. Riley (Eds*). Harm reduction in substance use and high-risk behaviour: International Policy and Practice*. Oxford: Wiley-Blackwell pp. 263-278
[92] See for instance RG Check <https://www.respons blegambling.org/for-industry/rg-check-accreditation/about-rg-check>. More recently in Australia, Senet Assure <https://senetlegal.com/services/senet-assure> has similarly developed an accreditation program.

Benchmarking provides an overview of innovative programs in place and can be of great value in informing considerations in the Australian environment, but the AGC would also caution that individual jurisdictional approaches may be:

- linked to the socio-political culture of the particular jurisdiction in which they have been implemented;

   and/or

- questionable (with regard to efficacy) in the environment in which they exist.[93]

Rather than defining 'best practice' as any static goal or standard, the AGC believes it to be an evolving objective. The best practices of yesterday may not be those of tomorrow.

The AGC submits that best practice starts with businesses who evidence both sound regulatory compliance and, further:

- demonstrate a *culture* of customer care (that commences with leadership and extends to all levels of management/operations); and
- pursue evidence-led initiatives designed to facilitate *continuous improvements* in customer care.[94]

To these ends, AGC members are increasingly exploring the potential for technologies to:

- improve the provision of information to consumers;
- provide tools for voluntary limit setting;
- increase the identification of, and interactions with, potentially at-risk consumers; and
- enhance the efficacy of voluntary and involuntary exclusion orders from venues.

Technological Aides to Informing Choice

Information and educative materials about the risks and probabilities of various gambling games have been provided for years in Australian gambling venues.

A criticism of these (largely static) materials and initiatives is that "evidence on their effectiveness is mixed, demonstrating some positive impacts but also concerns as to whether increased information and understanding of gambling concepts leads to behavioural change".[95]

Nonetheless, as a preventative (rather than a harm minimisation) measure, the value of such initiatives remains.

Research suggests that behavioural and game transparency information is best presented in a supportive environment that both maintains individual autonomy, is personally relevant and framed in such a way as to lead to self-awareness.[96]

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[93] See for example: Philander, K. (2017), Entry Fees as a Responsible Gambling Tool: An Economic Analysis. *UNLV Gaming Research & Review Journal, 21*(1). Retrieved from <https://digitalscholarship.unlv.edu/grrj/vol21/iss1/4>
[94] <https://austgamingcouncil.org.au/responsible-gambling/our-commitment>
[95] Glynn, J. (2020), *Future-Proofing the Industry: Player Safeguards and Prevention, Strategic Science,* Prepared for the New Horizons in Responsible Gambling Conference p8
[96] Ibid

Technology can provide avenues for the use of more modern communication mediums that resonate with younger generations, and communication styles that increase inclusivity for diverse risk and population segments.

Trial and evaluation of the most efficacious messaging and formats is required - but there is an opportunity to explore how operator provided player information and education could be enhanced to greater impact choices and behaviours.

Technologies Aiding Identification and Intervention with 'At Risk' Consumers

Research projects undertaken over the past decade, both in Australia and internationally, have explored behavioural signs capable of observation within the gambling venue that can be considered indicative of a consumer at risk or experiencing problems with gambling.[97]

The 'observable signs' reported in research range from clear-cut verbal disclosures of player difficulty and visible physical indicia of emotional upset, to a range of diverse behaviours - including visitation rates, loss-chasing behaviours and stay/session lengths. Some of these indicators include actions and playing styles that can be evidenced by recreational gamblers but, in combination, can also comprise grounds for concern and a prompt for staff to interact and explore/identify a potential loss of player control.

Staff training in responsible gambling and the identification of those at risk has been noted by multiple governments as a priority area for consumer assistance in Australia and has been similarly emphasised in Victoria.

Interaction with customers is recognised as important work progressing harm minimisation within any land-based gambling venue.

Research suggests that a team of highly trained employees are well placed to assist and identify consumers displaying observable signs.[98] However, limitations to staff observation can impact in very large gaming environments.

Analytical systems identifying at risk gamblers are now active in some casinos in the UK, Europe, New Zealand and Canada.

Such technologies have taken time in development, and there remains a level of debate regarding the most effective models and/or mechanisms.

These systems are largely seen as an adjunct to staff observation and act as a complementary tool to staff engagement efforts with players.

Generally speaking, such systems use research on player behaviours and player data to inform a sensitivity tested and validated model or, alternatively, to inform machine learning programs.

Differing variables, data sets and live play behaviours can then be combined in algorithmic analysis - with the aim of such technology to produce high confidence reports of individuals at risk of harm with

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[97] See for example Australian Gaming Council (2002), *Current Issues: Identifying the Problem Gambler in the Gambling Venue*; Schellinck, T. and Schrans, T. (2004), Identifying Problem Gamblers at the Gaming Venue: Finding Combinations of High Confidence Indicators, *Gambling Research,* 16(1), pp 8-24; Hafeli, J. and Schneider, C. (2005), *Identification of Problem Gamblers in Casinos: A Screening Tool*; Hochschule Luzern – Soziale Arbeit, Luzern; Delfabbro, P., Osborn, A., McMillen, J. & Skelt, L. (2007), *Identifying Problem Gamblers in Gambling Venues*, Gambling Research Australia.

[98] Thomas, A., Delfabbro, P. & Armstrong, A. (2014), *Validation study of in-venue problem gambler indicators*. Gambling Research Australia.

whom the venue should interact and, possibly, intervene.[99] Algorithmic decisioning can also drive personalised communications/interactions based on risk level.[100]

There are distinct challenges in establishing predictive algorithmic monitoring systems (in terms of ensuring system accuracy and transparency). Queries also remain with regard to system capability in supporting anonymous or 'uncarded play' or in tracking customers over smaller, dispersed venues. To date there has been only one (very recent) trial of a model-based system over a wide area (as opposed to within a single casino site).[101]

Nevertheless, in large casinos, such technologies represent a potentially valuable means of narrowing the pool of consumers with whom staff should interact from a responsible gambling perspective.[102]

A 2020 review advises that this area has been relatively well explored with few obvious gaps in the evidence. However, it does note that continued work is often required in refining variables and identifying the most effective types of algorithms to perfect the sensitivity-specificity balance of any system.[103]

Payment Linked Technologies Assisting Control and Limit Setting

Voluntary limit setting (pre-commitment programs) are available at most Australasian casinos.

As much as card-based technologies have been the subject of a great deal of discussion in Australia in the past, the digitisation of payment methods (and the potential for enhanced associated responsible gambling customer communications and interactions) are more likely the path of the future.

As digital transactions gain traction with casino patrons (with consumer preferences in the wake of COVID-19 suggesting that may indeed be the case more broadly) there is scope for consideration of how such payment systems may contribute to consumer protection efforts.[104]

While noting the fact that many in the community still rely on cash as a financial management tactic, currently, in NSW, digital wallet trials are underway.

A digital proposal linked to identity, and a bank account with optional responsible gameplay tools was announced in this state on 24 May 2021 as a potential way to:

- help further combat money laundering and problem gambling;

- provide an enhanced patron experience, leveraging the broader consumer shift to cashless payments; and

- enhance player choice, and empowerment.

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[99] Schellinck, T. and Schrans, T. (2011), Intelligent design: How to Model Gambler Risk Assessment by Using Loyalty Tracking Data, *Journal of Gambling Issues.* DOI:10.4309/jgi.2011.26.5

[100] Percy, C. & Dragicevic, S. (2018), *Where will the value come from data analytics?* Presentation to the European Association of Gambling Studies Conference 2018.https://www.easg.org/easg-conferences/12th-european-conference-on-gambling-studies-and-policy-issues/conference-programme/day-2-12-september-2018

[101] See for instance: Schellinck, T., Schrans, T., & Focal Research Consultants Limited (2016), *Using Player Loyalty Data to Detect Risk for Problem Gambling: Developing and Testing Risk Identification Models for Use in the UK Casino Market and* Schellinck, T., Schrans, T., & Focal Research Consultants Limited (2019) Focal - ALeRT UK Casino 2019 Trial Summary Report - Focal's ALeRT BETTOR Protection System

[102] Glynn, J. (2020), *Future-Proofing the Industry: Player Safeguards and Prevention*, Strategic Science, Prepared for the New Horizons in Responsible Gambling Conference p17

[103] Ibid p18

[104] Gainsbury, S. and Blaszczynski, A. (2020), *Digital Gambling Payment Methods: Harm Minimisation Policy Considerations* <https://doi.org/10.1089/glr2.2020.0015>

Technology Assisting Exclusion/Self-Exclusion Outcomes

Self-Exclusion programs offer gamblers experiencing problems an ability to bar themselves from the gaming venue, allowing control through a program of agreed abstinence.

Additionally, venues may exclude those consumers they understand to be experiencing problems and who may be unwilling to seek change.

Reviews of Self-Exclusion systems have reported that there is empirical support and/or consensus that to improve effectiveness self-exclusion protocols should:

- be actively but strategically promoted;
- be quick and simple to implement;
- be administered by staff who have appropriate, up to date and regular training;
- attract sufficient investment in resources and technology to improve enforcement;
- be relatively difficult to end; and
- have comprehensive rather than isolated coverage where feasible.[105]

Maintaining and operating a self-exclusion (and third-party exclusion) program requires accurate record keeping, well trained staff, suitable identification processes that act to assist (rather than to stigmatise) program users and sensitive, timely interactions with consumers who may be detected in breach of their self-exclusion agreement.

Enforcement of self-exclusion has been reported, both in the literature and by affected consumers, as one of the key areas in which those who experience difficulty remaining abstinent would benefit from further assistance.[106]

Facial Recognition Technology ("FRT") systems have since been implemented in a number of Australian venues as a means to assist.[107]

Any FRT system requires a suitable level of information security, data protections and cost efficacy.

Such systems should also have a high level of accuracy (reducing the capacity for false positive/negative identification).

The AGC considers that, in tandem with robust procedures that effectively manage ethical and privacy concerns for both consumers and businesses, FRT should be considered a valuable initiative for harm minimisation purposes.

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[105] Glynn, J. (2020), *Future-Proofing the Industry: Player Safeguards and Prevention*, Strategic Science, Prepared for the New Horizons in Responsible Gambling Conference

[106] See for example Fogarty, M. & Taylor-Rodgers, E. (2016), *Understanding the Self-exclusion Process in the ACT*, Centre for Gambling Research at The Australian National University, commissioned by the ACT Gambling and Racing Commission.

[107] See for example South Australian Department of Consumer and Business Services <https://www.cbs.sa.gov.au/facial-recognition-technology>accessed 20 May 2021.

Conclusion

Governments and industry in Victoria have progressed and continue to progress a broad range of responsible gambling initiatives.

Likewise, stakeholders continue to work to identify best practices pertinent to the evolving Victorian environment.

The gambling industries in Australia are significant contributors to the Australian economy and society and remain very cognisant of the impacts to individuals and communities occasioned by problems experienced with gambling.

These impacts render continuous improvement in operator-based responsible gambling programs and practices an ongoing imperative - and a challenge AGC members continue to address.

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