



20 November 2015

By email: [REDACTED]

Mr Rowan Harris
Victorian Commission for Gambling and Liquor Regulation
Level 3, 49 Elizabeth Street, North Melbourne VIC 3121

Dear Rowan

Section 25 Review – Recommendation 5 Report

Recommendation 5 of the Section 25 Review stated:

To assess the effectiveness of the use of player data in relation to intensity, duration and frequency of play as a tool to assist in identifying problem gamblers, the VCGLR recommends that:

- *Within 18 months, Crown Melbourne Limited trial for a reasonable period the use of player data analysis as an initial indicator to identify players who may be having problems with their gambling; and*
- *The Crown Melbourne Limited Board and Crown Limited's Responsible Gaming Committee consider the effectiveness of the trial; and*
- *Crown Melbourne Limited provides a copy of the report on the outcome of the trial to the VCGLR within 3 months of the report being considered by the Responsible Gaming Committee and the Crown Melbourne Limited Board.*

In accordance with Recommendation 5, Crown Melbourne Limited has now completed the trial and the report on the trial has been considered and endorsed by the Crown Melbourne Limited Board and the Crown Resorts Limited Responsible Gaming Committee.

A copy of that report and copies of the following are attached:

- Written Circular Resolution of the directors of the Crown Melbourne Limited Board dated 4 November 2015; and
- Minutes of the meeting of the Crown Resorts Limited Responsible Gaming Committee dated 12 November 2015.

Crown Melbourne has now completed all Recommendations of the Section 25 Review.

Yours sincerely,

[REDACTED]
A handwritten signature in blue ink, appearing to read "Debra Tegoni".
Debra Tegoni
Executive General Manager – Legal & Regulatory Services



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Introduction

Crown Melbourne's Commitment to the Responsible Service of Gaming

Crown Melbourne (**Crown**) has been committed to the Responsible Service of Gaming (**RSG**) since inception. Crown has led the way in RSG initiatives, including the establishment of the Responsible Gaming Support Centre (**RGSC**) in 2002, the introduction of Crown's voluntary time and loss limit setting program (in place since 2003) and its unique array of available services comprising dedicated and specially trained staff of Responsible Gaming Liaison Officers (**RGLOs**), Responsible Gaming Psychologists and the Chaplaincy Support service.

The Responsible Gaming Support Centre:

- Offers support, assistance and referral and is available 24 hours a day, seven days a week;
- Has available RGLOs;
- Provides strategies to assist customers in managing their gambling behaviours to foster responsible gambling and prevent difficulties from arising;
- Facilitates referrals to Government funded problem gambling and financial counselling support services and welfare organisations and provides contact with, and information about, these bodies;
- Has available Responsible Gaming Psychologists experienced in the field of problem gambling to assist customers and others who may require support as a result of a person experiencing difficulty with their gambling behaviours;
- Provides information regarding self-exclusion for customers who wish to exclude themselves from the casino and manages Crown's Self-Exclusion Program;
- Is able to access and provide information in selected community languages;
- Provides a Chaplaincy Support Service for customers and staff; and
- Provides all services confidentially and free of charge.

Training for all staff in relation to responsible gaming, including observable signs that may indicate a customer may be experiencing difficulties with their gambling behaviours, commences at induction with a facilitated session. Further, staff complete the Victorian Commission for Gambling and Liquor Regulation (**VCGLR**) approved RSG Training, which is delivered as a refresher every two years for relevant staff. Staff are trained to refer customers who seek assistance or who are displaying other observable signs to RGLOs, either directly or via their manager. Further, senior managers in relevant departments, including gaming, participate in more advanced responsible gaming training.

The establishment of a Crown Resorts Board Committee dedicated to overseeing RSG at Crown Melbourne and Crown Perth; the continued development and delivery of extensive



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RSG training programs for staff; the implementation of the Crown Responsible Gambling Code of Conduct and the establishment of robust internal procedures for Crown's self-exclusion arrangements, all demonstrate Crown's ongoing commitment to its customers and employees and its continued dedication to responsible gaming.

Fifth Review of the Casino Operator and Licence

On 10 July 2013 the VCGLR wrote to Crown detailing 10 recommendations made as a result of the VCGLR's Fifth Review of the Casino Operator and Licence pursuant to Section 25 of the *Casino Control Act 1991* (Vic) (**s 25 Review**).

Recommendation 5 of the s 25 Review provided:

To assess the effectiveness of the use of player data in relation to intensity, duration and frequency of play as a tool to assist in identifying potential problem gamblers, the VCGLR recommends that:

- *Within 18 months, Crown Melbourne Limited trial for a reasonable period the use of player data analysis as an initial indicator to identify players who may be having problems with their gambling; and*
- *The Crown Melbourne Limited Board and Crown Limited's Responsible Gaming Committee consider the effectiveness of the trial; and*
- *Crown Melbourne Limited provides a copy of the report on the outcome of the trial to the VCGLR within 3 months of the report being considered by the Responsible Gaming Committee and the Crown Melbourne Limited Board.*

Crown Trial

Crown operates a property wide loyalty program known as the Crown Signature Club. Members are able to earn points when playing gaming machines and table games (including electronic versions) and when purchasing food and beverage, hotel rooms and other goods and services from participating Crown Complex retailers and outlets. These points can subsequently be redeemed for hotel accommodation, food and beverage and other goods and services (including gaming play).

Crown has recently completed a trial using member gaming data from the Crown Signature Club. This data was assessed against certain playing characteristics/parameters that were selected based upon Australian and international research, Crown's own experience and the publicly available Sky City Auckland model. Interviews with players that had gaming play consistent with a number of these selected parameters were then sought to ascertain whether they did in fact have issues with their gambling behaviours.



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Determining Effectiveness

The purpose of the trial was to provide an indication of the effectiveness of using player data in relation to intensity, duration and frequency of play as a tool to assist in identifying potential problem gamblers.

It is believed that player data may provide initial indicators of problem gambling behaviour. Therefore, to gauge effectiveness, player data that matched certain predetermined parameters was used as a prompt to seek an interview, so as to interact with players, and the information was recorded.

Limitations

Data for this trial was sourced from Crown Signature Club. Collection of member gaming data activity relies on the member using their membership card when playing. Some members may not use their card every time they play. Additionally, not all Crown customers are members of the Crown Signature Club.

Methodology

The trial period was from 9 January 2015 to 17 April 2015 and was conducted by Responsible Gaming department employees.

The data source was full Crown Signature Club members with gaming activity in the prior three month period. This represented approximately 78,000 members.

The parameters¹ (flags) used to identify players for interview and interaction were as follows:

1. Visitation frequency (five times per week up to daily) combined with levels of expenditure on gaming machines (\$500+ lost per session) over a period of time (intensity) (over one month)
2. Multiple increases or disabling of pre-commitment limits (intensity) (over three months)
3. Change in expenditure over six months (by a factor of three up or down) (intensity)

¹ These parameters have been carefully considered. Parameter 1 is drawn from the SkyCity Auckland model, Parameter 6 is an extrapolation of this. Parameter 2 is a hypothesis that a person frequently increasing or disabling limits altogether may be experiencing difficulty. Parameter 3 seeks to identify behavioural change. Parameters 4 and 5 are research based.



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4. Gambles for five or more hours without a break of 15 minutes or longer (duration) (one month)
5. Gambles every day of the week over a period of time (frequency) (over one month)
6. Levels of expenditure on gaming machines (\$500+ lost per session) over a period of time (intensity) (one month)
7. Levels of expenditure on table games (\$500+ lost per session) over a period of time (intensity)² (one month)

The individual members identified were approached using an existing procedure, namely, the 'Third Party Information Process'.³ In order for a member to be identified, a minimum of two of the parameters had to be met. Customer responses and interactions were recorded and usual processes followed.

Findings

In total, 1,014 customers (100%) were identified as having reached two or more flags in the trial period.

Of these customers, RGLOs were able to make personal contact on the casino floor with 666 customers (**respondents**) (66%). Operational difficulties included finding an appropriate time for the interview and maintaining customer privacy in approaching and speaking to respondents.

In general, respondents had no adverse reactions or concerns in being approached.

Of the 666 respondents contacted, 634 (95%) during the interview process maintained that they were comfortable with their level of play and they did not require any responsible gaming assistance.

Of the 666 contacted respondents, 32 (5%) indicated that they had some concerns with their gambling behaviours. During the interview with the respondents, the RGLOs undertook the usual wellbeing appraisals which they conduct when interacting with customers. These 32 respondents were provided with relevant responsible gaming information and contact details for the RGSC. They undertook to contact the RGSC if they required assistance or had

² Added after the first month of three months of data

³ **Third Party Information Process:**

The Responsible Gaming department receives information about a customer's potential problem gambling behaviour from a variety of sources. When the customer themselves is not the informant, this is deemed a Third Party report. This Third Party information comes from staff, other customers, family members, friends, other reporting data, problem gambling counsellors et al.

Responsible Gaming Liaison Officers (RGLO) will act on this information received as best as appropriate. If the customer is a Crown Signature Club member, the member identifier is placed on a pager that will alert when the customer next uses their Crown Signature Club card in a gaming device. The RGLO will then attend.



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further concerns with their gambling behaviours. As at 30 June 2015, one respondent (0.2%) subsequently contacted the RGSC for further information (which was provided). No other respondent has come to notice since.

Separately, during the trial period, 102 customers (across the entire Crown customer base) elected to self-exclude. Of these 102 customers, only four (4%) were among the 1,014 customers who had reached two or more flags during the trial.

Conclusion

The objective of the trial was to provide an indication of the effectiveness of using player data as a tool to assist in identifying potential problem gamblers.

The project was a useful exercise to determine whether the use of player data in relation to intensity, duration and frequency of play is effective as a tool to assist in identifying potential problem gamblers. Based on the trial conducted, it appears there is only limited value in this tool.

Crown's view continues to be that the most effective means of identifying potential problem gamblers is through the detection of observable signs of problem gambling behaviour within the venue (eg. stress, aggression, etc.). Staff are trained to refer customers who seek assistance or who are displaying other observable signs to RGLOs. This allows for the personalised and individually focussed opportunity to connect with the customer and discuss their gambling behaviours.

Accordingly, Crown will continue to use player data in conjunction with observable signs when interacting with customers who may be experiencing difficulties with their gambling behaviours.



Responsible Gaming Committee

Minutes of a Meeting of the Committee held at
Level 3, Crown Towers, 8 Whiteman Street, Southbank, Victoria on
25 September 2015 at 12.20pm

Members Present: John Horvath (Chair)
Rowena Danziger (by telephone)
Rowen Craigie

Michael Neilson (Secretary)

By Invitation: Sonja Bauer (Crown Melbourne)
Josh Preston (Crown Perth) (by telephone)
Melanie Strelein (Crown Perth) (by telephone)
Andrew Menz (Betfair/CrownBet) (by telephone)
Mary Manos (Crown Resorts Limited)

Apologies: Debra Tegoni (Crown Melbourne)

BUSINESS

Minutes of Meeting held on 10 August 2015: It was **resolved that** the Minutes of the Responsible Gaming Committee Meeting held on 10 August 2015 be approved.

Matters Arising: *Crown Melbourne Response to Recommendation 5 of VCGLR Section 25 Review*

The draft Report for submission to the VCGLR on the trial conducted by Crown Melbourne in response to Recommendation 5 of the VCGLR Review was presented to the Committee.

It was noted that the VCGLR had recommended that both the Crown Melbourne Limited Board and the Committee consider the effectiveness of the trial.

Subject to approval by the Crown Melbourne Limited Board, the Committee **resolved** to approve the Report for delivery to the VCGLR.

Self Exclusion Revocation Procedures Comparison

The information regarding Self-exclusion, Revocation and Third Party Programs across Crown's businesses was noted.

Mr Neilson reported that Crown Melbourne and Crown Perth Responsible Gaming teams were reviewing the comparison table with a view to further aligning their programs.

The Committee suggested this needed to be a more detailed review which tested the appropriateness of those elements of each program which were different to the other businesses.

Management undertook to come back to the Committee with the results of that review.

Crown Melbourne Responsible Gaming Report:

The Crown Melbourne Responsible Gaming Report was taken as read.

Sonja Bauer spoke to the Report noting the responsible gaming initiatives which have occurred at Crown Melbourne since the last update in August 2015. In particular, the following items were noted:

- the continued delivery of updated Senior Manager refresher training;
- the implementation of the Victorian State Government's voluntary pre-commitment system – YourPlay; and
- the proposed activities for Responsible Gambling Awareness Week including a Q&A forum to be held at the Melbourne Cricket Ground.

It was noted that following implementation of YourPlay, Crown's PlaySafe program would be retired.

The attendance of Bruce Cohen and Alan Stone, Chair and General Counsel of the VCGLR, at the Responsible Gaming Support Centre was also noted.

It was resolved that the Crown Melbourne Responsible Gaming Report be noted.

Crown Perth Responsible Gaming Report:

The Crown Perth Responsible Gaming Report was taken as read.

Melanie Strelein spoke to the Report noting the responsible gaming initiatives which had occurred at Crown Perth since the last update in August 2015.

In particular, the following items were noted:

- the summary of key issues presented to the Responsible Gambling Management Committee including the completion mental health first aid training and the potential for rolling this training out to senior employees across the business;
- the various stakeholder engagement initiatives focussing on people at risk of homelessness; and
- the involvement of Crown Perth in Responsible Gambling Awareness Week working group meetings.

It was noted that Crown Perth had engaged with the DRGL in relation to the patron feedback received noting that a number of the suggestions are already addressed in various ways by Crown Perth.

It was **resolved that** the Crown Perth Responsible Gaming Report be noted.

Betfair / CrownBet Responsible Gaming Report

The Betfair and CrownBet Reports were taken as read.

Betfair

Andrew Menz spoke to the Report noting the responsible gaming initiatives which have occurred at Betfair and CrownBet since the last update in August 2015. In particular, the following items were noted:

- the discussions and co-operation between Betfair and CrownBet to advance responsible gaming initiatives across both businesses;
- the participation of Betfair in Responsible Gambling Awareness Week via online and social media communications; and
- the launch of new consumer help website called "The Hub" to improve access to information on Betfair's website.

It was also noted that it is intended that a link to the AFL's responsible gambling video be placed on the Betfair website.

The 2015/16 First Quarter Statistics were presented to the Committee, it being noted that there has been a reduction in account re-activation requests following closure as a result of self-exclusion.

CrownBet

In relation to CrownBet, the following items were noted:

- the roll out of the Responsible Gaming e-module training; and
- the participation of CrownBet in the Federal Government's review into illegal offshore wagering.

It was noted that the Northern Territory Racing Commission is due to release its Responsible Gambling Code of Practice for online sports operators which is expected to largely formalise the existing responsible gambling measures CrownBet has in place.

The Committee requested that it be provided with a copy of the Code of Practice once released.

It was **resolved** that the Betfair / CrownBet Responsible Gaming Report be noted.

Gaming Environment Scan:

The Gaming Environment Scan papers were taken as read.

The Committee noted the online focus of much of the commentary.

It was **resolved** that the Gaming Environment Scan Report be noted.

Future Meetings:

2015 Meeting Dates

The 2015 Committee meeting dates were noted.

Closure:

There being no further business, the meeting was declared closed at 1.05pm.

Signed



Chairperson
John Hcrvath



Crown Melbourne Limited
(ACN 006 973 262)

**Written Resolution of the Committee made in accordance with the Crown Resorts
Limited Constitution**

We, being all the directors of the Company at the date of this circulating resolution, entitled to receive notice of a meeting of directors and to vote on the resolutions contained in this circulating resolution, by signing this document each state that we are in favour of the resolutions set out in this document.

The resolutions are passed by the director without a directors meeting on the date and at the time when the last member signs. Separate copies of this document may be used for signing by any one or more of the directors.

Background:

On 10 July 2013 as a result of the Fifth Review of the Casino Operator and Licence pursuant to Section 25 of the Casino Control Act 1991 (Vic) (s 25 Review), the Victorian Commission for Gambling and Liquor Regulation (VCGLR) recommended that:

- Within 18 months, the Company trial for a reasonable period, the use of player data to assess the effectiveness of the use of player data as a tool to assist in identifying potential problem gamblers;
- The Board and the Crown Resorts Limited's Responsible Gaming Committee consider the effectiveness of the trial; and
- The Company provide a copy of the report on the outcome of the trial (Section 25 Review Report) to the VCGLR within 3 months of the report being considered by the Responsible Gaming Committee and the Company.

The Directors acknowledge having received a draft Section 25 Review Report and acknowledge that a copy of the report has been reviewed and approved by the Crown Resorts Limited Responsible Gaming Committee for lodgement, subject to the approval of the Company.

Resolutions:

Having reviewed the Section 25 Review Report, each director resolves to approve the Section 25 Review Report for delivery to the VCGLR accordance with Recommendation 5 of the s 25 Review.

Signed:



Name: James D Packer

Date: 2/11/15

Signed:

Name: Rowen B Craigie

Date:

Signed:

Name: Richard Kevan Gosper

Date:

Signed:

Name: Kenneth M Barton

Date:

Signed:

Name: John H Alexander

Date:

Signed:

Name: Rowena Danziger

Date:

Signed:

Name: John S Horvath

Date:

Signed:

Name: Barry J Felstead

Date:

Signed:

Name: James D Packer

Date:

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Name: Rowen B Craige

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Name: Richard Kevan Gosper

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Name: Kenneth M Barton

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Name: Rowena Danziger

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Name: John S Horvath

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Name: Barry J Felstead

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Name: Richard Kevan Gosper

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Name: John S Horvath

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Name: Richard Kevan Gosper

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Name: John H Alexander

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Name: Rowena Danziger

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Name: John S Horvath

Date:

Signed:

Name: Barry J Felstead

Date:

Signed:

Name: James D Packer

Date:

Signed:

Name: Rowen B Craigie

Date:



Name: Richard Kevan Gosper

Date: *4 November 2015*

Signed:

Name: Kenneth M Barton

Date:

Signed:

Name: John H Alexander

Date:

Signed:

Name: Rowena Danziger

Date:

Signed:

Name: John S Horvath

Date:

Signed:

Name: Barry J Felstead

Date:

Signed:

Name: James D Packer

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Name: Rowen B Craigie

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Name: Richard Kevan Gosper

Date:

Signed:

Name: Kenneth M Barton

Date:

Signed:

Name: John H Alexander

Date:

Signed:

Name: Rowena Danziger

Date:

Name: John S Horvath

Date: 1/6/13

Signed:

Name: Barry J Felstead

Date:

Signed:

Name: James D Packer

Date:

Signed:

Name: Rowen B Craigie

Date:

Signed:

Name: Richard Kevan Gosper

Date:



Name: Kenneth M Barton

Date:

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Name: John H Alexander

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Name: Rowena Danziger

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Name: John S Horvath

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Name: James D Packer

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Name: Rowen B Craigie

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Name: Richard Kevan Gosper

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Name: Kenneth M Barton

Date:

Signed:

Name: John H Alexander

Date:

Signed:

Name: Rowena Danziger

Date:

Signed:

Name: John S Horvath

Date:

Signed:

Name: Barry J Felstead

Date: 4/11/15