



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON JUSTICE AND COMMUNITY SAFETY

Mr Peter Cain MLA (Chair), Dr Marisa Paterson (Deputy Chair), Mr Andrew Braddock MLA

Submission Cover Sheet

Inquiry into Cashless Gaming

Submission Number: 004

Date Authorised for Publication: 06 September 2023



Submission to the Inquiry into Cashless Gaming in the ACT

September 2023



This page has intentionally been left blank.





Table of contents

Our Commitment to Inclusion	iv
Executive Summary	v
Summary of Recommendations	vi
1 Reducing Gambling Harm in the ACT	1
2 Regulatory Considerations for Cashless Gaming	3
<i>Time and Spending Limits</i>	3
<i>Enhancing Self-Exclusion</i>	4
<i>Additional Safeguards</i>	5
Conclusion	7
Appendix A About The Salvation Army	8





Our Commitment to Inclusion

The Salvation Army Australia acknowledges the Traditional Owners of the land on which we meet and work and pay our respect to Elders, past, present and future.

We value and include people of all cultures, languages, abilities, sexual orientations, gender identities, gender expressions and intersex status. We are committed to providing programs that are fully inclusive. We are committed to the safety and wellbeing of people of all ages, particularly children.

Our values are:

- Integrity
- Compassion
- Respect
- Diversity
- Collaboration

Learn more about our commitment to inclusion: <salvationarmy.org.au/about-us>

The Salvation Army is an international movement and our mission is to preach the gospel of Jesus Christ and to meet human needs in his name without discrimination.

More information about The Salvation Army is at **Appendix A**.





Executive Summary

The Salvation Army welcomes the opportunity to provide this submission to the ACT Legislative Assembly Standing Committee on Justice and Community Safety's inquiry into Cashless Gaming.

The Salvation Army believes that gambling should not be a means of income generation nor economic development whether by government agencies, charitable organisations, churches or commercial interests. Gambling often preys on people experiencing significant vulnerabilities or disadvantage. It is not merely a harmless activity but can become a compulsive dependency. We therefore support any measure that reduces the harms caused by gambling as part of a broader public health and consumer protection approach.

The Salvation Army supports the introduction of cashless gaming, under the premise that it is accompanied by sufficient regulations and safeguards. In this submission, we focus on the need to build additional safeguards and enhance self-exclusion options.

This submission responds to the following terms of reference:

- The potential impacts on reducing gambling harm from electronic gaming machines in the ACT;
- Any legislative or regulatory considerations that would be required if card-based cashless gaming were to be implemented in the ACT.

The Salvation Army has made **7** recommendations for the ACT Legislative Assembly Standing Committee on Justice and Community Safety to consider. A summary of these recommendations follows on the next page.



Summary of Recommendations

Recommendation 1

1.6 The Salvation Army recommends that the ACT Government introduce mandatory cashless gambling to reduce gambling harm.

Recommendation 2

1.7 The Salvation Army recommends the introduction of Central Monitoring Systems that can better track the harm caused by gambling.

Recommendation 3

2.7 The Salvation Army recommends that the ACT Government introduce mandatory time and spending limits alongside cashless gaming technology.

Recommendation 4

2.5 The Salvation Army recommends that the ACT Government invest in facilitating easy access to information and education related to self-exclusion and other gambling harm minimisation interventions.

Recommendation 5

2.6 The Salvation Army recommends that the ACT Government consider providing gaming venues with the ability to set zero limits on cards to effectively exclude an individual from using electronic gaming machines as part of broader self-exclusion protocols.

Recommendation 6

2.10 The Salvation Army recommends including identification requirements on cards to better ensure that only the registered user uses the card.

Recommendation 7

2.11 The Salvation Army recommends that the ACT Government consider the inclusion of mandatory pre-commitments and a lock-out period to dampen the impulse to continue gambling.

1 Reducing Gambling Harm in the ACT

- 1.1 The Salvation Army acknowledges the Australian Capital Territory (ACT) Government's plan to introduce a central monitoring system (CMS) by the end of 2024 to establish the basis for further harm reduction measures.¹
- 1.2 Cashless gaming allows for gambling without notes or coins on electronic gaming machines (EGM's). Mandatory cashless gaming which links an account to a customer's personal identification has great potential to reduce gambling harm for individuals and as an anti-money laundering measure designed to prevent large amounts of untraceable money being put into machines and then cashed as 'legitimate' winnings. Customers may also find cashless gaming convenient as it does not require interaction with venue staff, and small amounts of money can be easily transferred to and from machines. Customers have reported that the tracking features of carded gambling assist them to manage their money.²
- 1.3 We support the introduction of cashless gaming as a measure to reduce gambling and financial harm across the ACT.
- 1.4 Currently, ACT venues may only make use of ticket-based cashless gaming; introduction of a CMS may allow wider and more convenient use of cashless gaming technology.³ CMS is typically used to facilitate the assessment and collection of gambling taxes and for other regulatory purposes. These systems will allow regulators to have better oversight of EGMs in operation. For example, ensuring that only EGMs authorised for use and listed on an authorisation schedule for a venue are in operation at the venue.
- 1.5 We also welcome the ACT Government's commitment to reducing gambling harm across the ACT and acknowledge that the ACT Parliamentary Governing Agreement has committed to a reduction in the number of electronic gaming machine licences in the ACT to 3,500 by 1 July 2025, and support this through the introduction of incentives for clubs to consider, including additional incentives to move to zero machines within a venue location.⁴

¹ ABC listen. "Harm Reduction Plans for ACT Poker Machines." ABC listen, April 28, 2022. <https://www.abc.net.au/listen/programs/canberra-mornings/poker-machine-reform/13860340>.

² Victorian Responsible Gambling Foundation. "The Ins and Outs of Cashless Gambling." Text. 24, 2023. <https://responsiblegambling.vic.gov.au/about-us/news-and-media/the-ins-and-outs-of-cashless-gambling/>.

³ Justice and Community Safety Directorate. "Discussion Paper Released | Electronic Gaming Machine Reform." Your Say ACT. Accessed August 15, 2023. <https://yoursayconversations.act.gov.au/electronic-gaming-machine-bet-and-credit-limits/discussion-paper-released>.

⁴ Justice and Community Safety Directorate. "Discussion Paper Released | Lowering the limits for electronic gaming machines." Your Say ACT. Accessed August 15, 2023. <https://yoursayconversations.act.gov.au/electronic-gaming-machine-bet-and-credit-limits/discussion-paper-released>.



Recommendation 1

- 1.6 The Salvation Army recommends that the ACT Government introduce mandatory cashless gambling to reduce gambling harm.**

Recommendation 2

- 1.7 The Salvation Army recommends the introduction of Central Monitoring Systems that can better track the harm caused by gambling.**

2 Regulatory Considerations for Cashless Gaming

- 2.1 The Salvation Army acknowledges the evidence suggesting that cashless only systems can present further risks of gambling harm. This could include the risk of individuals having lower awareness of amounts spent using non-cash or 'frictionless' payments.⁵
- 2.2 We believe that strong safeguards around the use of electronic gaming machines and cashless gaming are critical to reduce the risk of significant financial harm to individuals, including clearly understood processes that cannot be easily overridden or circumvented if a limit is reached.

Time and Spending Limits

- 2.3 The Salvation Army supports the introduction of cashless gaming under the premise that this technology is combined with pre-commitments of time and spending limits. This can be made part of registering for a cashless gaming player card account.
- 2.4 We believe that by introducing these mandatory pre-commitments, the motivation to 'chase losses' can be reduced, as well as the ability for a person to quickly spend more money than they intended or have the financial capacity to bear.
- 2.5 The Salvation Army would welcome a move to lowering betting limits to \$5 per bet and lowering credit limits to \$100 per load-up,⁶ representing a significant step in helping to reduce gambling harm.⁷ We also recommend further enhancements as implemented by the Tasmanian Government. We support the inclusion of the routine default pre-commitment that applies State-wide in Tasmania as the gold standard of harm minimisation measures. Tasmania is the first State to announce a scheme of this kind. It will provide those most at risk of gambling harm with protection while having no impact on recreational gamblers. Individuals will be able to register for a card at any venue. Cards will have pre-set default limits, that can be lowered by the card owner at any time; or increased within certain parameters. The default limits are:
 - \$100 per day;
 - \$500 per month; and
 - \$5,000 per year.⁸

⁵ Justice and Community Safety Directorate. "Discussion Paper Released | Electronic Gaming Machine Reform." Your Say ACT. Accessed August 15, 2023. <https://yoursayconversations.act.gov.au/electronic-gaming-machine-bet-and-credit-limits/discussion-paper-released>.

⁶ ABC listen. "Harm Reduction Plans for ACT Poker Machines." ABC listen, April 28, 2022. <https://www.abc.net.au/listen/programs/canberra-mornings/poker-machine-reform/13860340>.

⁷ Justice and Community Safety Directorate. "Discussion Paper Released | Electronic Gaming Machine Reform." Your Say ACT. Accessed August 15, 2023. <https://yoursayconversations.act.gov.au/electronic-gaming-machine-bet-and-credit-limits/discussion-paper-released>.

⁸ https://www.premier.tas.gov.au/site_resources_2015/additional_releases/nation-leading-card-based-gaming-with-pre-commitment-a-first-in-tasmania#:~:text=Routine%20default%20pre-commitment%20that,no%20impact%20on%20recreational%20gamblers.



- 2.6 We would also welcome the inclusion of a default pre-commitment on time, which manages the amount of time individuals may continue to gamble.

Recommendation 3

- 2.7 The Salvation Army recommends that the ACT Government introduce mandatory time and spending limits alongside cashless gaming technology.**

Enhancing Self-Exclusion

- 2.1 The Salvation Army supports the ACT Government's introduction of a self-exclusion scheme. However, both the player card system and exclusion scheme can only be effective if individuals also have easy access to information and education around these harm minimisation interventions, and when design and implementation features take into consideration environments when individuals might not recognise the risks to themselves.
- 2.2 We recognise the potential benefits of a player card system linked to an identifiable player account for all EMG gambling across ACT venues, and managed through a CMS, in addressing the risk of self-excluding individual's seeking to enter alternate gaming venues across the ACT.
- 2.3 The Salvation Army understands that in the ACT a person may approach a venue or the Commission to seek self-exclusions or may have self-exclusion facilitated by the ACT's gambling support service. Venues may also impose a gambling exclusion order in certain circumstances. These options to initiate self-exclusion, while necessary and supported, firstly require the individual seeking self-exclusion to have a level of self-awareness that gambling is having a negative impact on their life.
- 2.4 Applying for self-exclusion also places the onus of responsibility on individuals to take the first step towards self-exclusion either by approaching a gaming venue (or the Commission) or first seeking help through a gambling support service which can act on the individual's behalf. In the case where self-exclusion is sought by approaching a venue in person, we recognise the higher risk of triggering gambling impulses. This could be supported by providing gambling venues with the ability to set zero limits on cards to exclude an individual from using EGM's as part of broader self-exclusion protocols.

Recommendation 4

- 2.5 The Salvation Army recommends that the ACT Government invest in facilitating easy access to information and education related to self-exclusion and other gambling harm minimisation interventions.**

Recommendation 5

- 2.6 The Salvation Army recommends that the ACT Government consider providing gaming venues with the ability to set zero limits on cards to effectively exclude an individual from using electronic gaming machines as part of broader self-exclusion protocols.**

Additional Safeguards

- 2.7 Should the ACT Government introduce cashless only gaming, we urge the need for the consideration of additional safeguards including:
- Identification requirements to register for a player card, thus ensuring a person cannot receive more than one unique card,
 - A delay or 'lock-out' period following re-loading a player card to avoid giving individuals immediate access to funds, to encourage breaks, and dampen the impulse to continue gambling,
 - Individuals to be able to set their own lower limits on money spent,
 - Linking the player card to the CMS to alert gaming officers at venues when an individual may be displaying behaviours consistent with gambling harm risk indicators.
- 2.8 Mandatory participation in setting pre-commitments for player cards at the point of registration for the card would help ensure that individuals are supported (by gaming staff) in understanding the use and limits of the card before entering the gaming area where the impulse to 'keep playing' can be difficult to control in the moment. A central recommendation of the Productivity Commission's 2010 inquiry into gambling was the use of pre-commitment technology that allows people to set limits on the time and money they spend gambling.⁹ These systems fit neatly with cashless gambling cards/digital accounts and can effectively reduce a person's impulse to spend more than intended. We believe these measures are step in the right direction to help reduce gambling harm across the ACT.
- 2.9 We also support identification requirements on cards to better ensure that the person registered as the user is the same person using the card. While it would continue to be possible for individuals to use another person's card, the requirement to provide identification (and possibly an identification number or one time password) could help act as a deterrent to card swapping.¹⁰

⁹ Victorian Responsible Gambling Foundation. "The Ins and Outs of Cashless Gambling." Text, February 24, 2023. <https://responsiblegambling.vic.gov.au/about-us/news-and-media/the-ins-and-outs-of-cashless-gambling/>.

¹⁰ Ibid.



Recommendation 6

2.10 The Salvation Army recommends including identification requirements on cards to better ensure that only the registered user uses the card.

Recommendation 7

2.11 The Salvation Army recommends that the ACT Government consider the inclusion of mandatory pre-commitments and a lock-out period to dampen the impulse to continue gambling.

Conclusion

2.12 The Salvation Army thanks the ACT Legislative Assembly Standing Committee on Justice and Community Safety for the opportunity to provide a written submission to the Inquiry into Cashless Gaming in the ACT.

2.13 The Salvation Army would welcome the opportunity to discuss the content of this submission should any further information be of assistance. Further information can be sought from government.relations@salvationarmy.org.au.

The Salvation Army Australia Territory

August 2023



Appendix A About The Salvation Army

The Salvation Army is an international Christian movement with a presence in more than 130 countries. Operating in Australia since 1880, The Salvation Army is one of the largest providers of social services and programs for people experiencing hardship, injustice and social exclusion.

The Salvation Army Australia provides more than 1,000 social programs and activities through networks of social support services, community centres and churches across the country.

Programs include:

- Financial counselling, financial literacy and microfinance
- Emergency relief and related services
- Homelessness services
- Youth services
- Family and domestic violence services
- Alcohol, drugs and other addictions
- Chaplaincy
- Emergency and disaster response
- Aged care
- Employment services

As a mission-driven organisation, The Salvation Army seeks to reduce social disadvantage and create a fair and harmonious society through holistic and person-centred approaches that reflect our mission to share the love of Jesus by:

- Caring for people
- Creating faith pathways
- Building healthy communities
- Working for justice

We commit ourselves in prayer and practice to this land of Australia and its people, seeking reconciliation, unity and equity.

Further information about The Salvation Army can be accessed at: <
<https://www.salvationarmy.org.au/>>

