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ANU Centre for Gambling Research submission to *'Lowering bet and credit limits for electronic gaming machines'* Discussion Paper

ANU Centre for Gambling Research (CGR) undertakes independent research and outreach activities regarding the social and economic effects of gambling; the development of prevention strategies, harm prevention and reduction measures and treatment of gambling harm; the regulation of gambling; the nature of the gambling industry; consumer education initiatives on gambling; and community awareness and attitudes about gambling and gambling harm, as well as protective and risk factors. The CGR is hosted by the Centre for Social Research Methods, Australian National University, with a special focus on advancing evidence-based policy and extensive experience in working with State/Territory and Federal government departments to use data to improve policy that directly impacts on the outcomes of Australians and particularly vulnerable communities.

As specified in the 10th Parliamentary Agreement, the Labour-Greens coalition has launched a program of reducing harm from electronic gaming machines (EGM), while supporting the sustainability of community clubs. A core component of this program involves changing the regulatory framework for electronic gaming machines to introduce better harm minimisation measures and safeguards. Part of these changes are proposed to be implemented through the introduction of a Central Monitoring System (CMS) for EGMs operating in the ACT.

This CGR submission comments on four aspects of the proposed CMS: (1) implications of changing the bet and credit limits on gambling harm; (2) harm-minimisation strategies enabled through CMS; (3) Cashless gaming; and (4) CMS data usage and evaluation plan.

1. Implications of changing the bet and credit limits on gambling harm

The Discussion Paper suggests that the new betting ($5) and credit ($100) limits result in reduction in gambling harm – particularly in financial harm – because lower bet and credit limits slow down the speed at which money can be spent and lost by a person when playing an EGM. It remains unclear, however, whether (and how) this reduction would translate to meaningful decrease in gambling harm in the ACT community. For instance, recently published study by the CGR researchers and led by Deakin University (Dowling et al.,

2021a, 2021b) identified a set of empirically-based activity-specific limits (gambling frequency, gambling expenditure, gambling expenditure as a proportion of gross personal income, session expenditure, session duration) using the Social and Economic Impact Studies of Gambling in Tasmania and the Survey on Gambling, Health and Wellbeing in the ACT. Low-risk gambling limits were identified for EGMs as follows: 10 times per year, AUD$300/year, 0.63–1.04% of personal income, AUD$35 per session, 40 min/session. In other words, EGM play beyond these thresholds will likely result in gambling harm. With the proposed new betting and credit limits, the monetary thresholds can be exceeded within minutes[1]. In addition, it is well established that individuals suffering from moderate and severe levels of gambling harm are likely to 'chase losses', and while the proposed limits will slow down the 'chasing', such limits are unlikely to curb this behaviour.

There are several different ways that operators can implement limit-setting, beyond what is outlined in the Discussion Paper. In addition to the bet and credit limits in the current proposal, a player's spending can be restricted in terms of loss limits: the maximum amount of money that a gambler can lose in any one session or period of time (Wood & Griffiths, 2010). The loss limit appears to provide better protection against gambling harm, compared to bet or credit limits. *The CGR recommends that the ACT government consider implementing loss limits to reduce gambling harm.*

2. *Harm-minimisation strategies enabled through CMS*

In addition to universal limit setting, many CMSs have a pre-commitment capability whereby individuals nominate the amount they are willing to lose over a pre-determined time period. This capability can also record individual persons' pattern of play (e.g. betting frequency, bet size, volatility in bet size, chasing losses, exceeding pre-set limits) to detect problematic patterns of play (Adami et al., 2013; Boldero, Bell, & Moore, 2010; Braverman & Shaffer, 2012). Behavioural tracking of these patterns supports the prevention of gambling harm by facilitating harm minimisation strategies tailored for players' profiles (Haefeli, Lischer, & Schwarz, 2011; Wood & Wohl, 2015). For instance, a behavioural tracking can provide clients with personalised feedback (e.g. how much money they have spent gambling over a period of time), which has been shown to minimize gambling harm in a number of settings (Wohl, Davis, & Hollingshead, 2017; Wood & Wohl, 2015).

Operators in other jurisdictions, namely in Europe, have instituted CMSs that gather data and offer harm minimisation tools, including personalised behavioural tracking information described above. In Sweden, Norway and Finland, for example, people who wish to gamble must have a player account and when activated, the player is required to set a weekly budget. If players desire personalised behavioural feedback, they can enrol in a behavioural tracking tool that has been shown to decrease gambling harm (Auer et al., 2019). In the Finnish system, people can earn rewards for engaging with self-monitoring services, taking a self-assessment test and familiarising themselves with what problematic patterns of play might look like (Wohl, 2018). Points can be redeemed for various prizes (e.g. food,

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[1] individual earning the average income in Australia, 1.04% of personal income equals 175 dollars (ABS, 2022)

entertainment outside gambling venues) but not for free play or play awards. Empirical data shows that receiving personalised feedback in relation to pre-commitment and limit-setting has resulted in significant reduction of gambling harms, particularly financial harm (Harris & Griffiths, 2017). *CGR recommends that comprehensive harm minimisation strategies will be implemented through the CMS.*

3. Cashless gaming

Cashless payment methods are generally associated with increased expenditure and pace of play (Hare, 2021) and should not be considered without mandatory pre-commitment, behavioural tracking, personalised messaging and referral pathways to support services. Many of the purported and anecdotal benefits of cashless gaming have been conflated with the benefits of other gambling harm-minimisation tools that often accompany cashless gaming but there is no evidence to suggest that the use of cashless forms of gambling provides any consumer or harm-reduction benefits (Hare, 2021). Robust designs comparing cashless vs cash gambling is needed to identify how gambling is affected by all payment methods, including credit cards, debit cards and mobile payments. *CGR recommends against cashless gaming in the absence of comprehensive harm minimisation strategies.*

Regarding self-exclusion, we note that ACT Government has made a long-term investment and will be rolling out a new multivenue online self-exclusion database in 2022. *CGR recommends that any self-exclusion capability implemented as part of the CMS need to consider how it would best operate with the ACT online self-exclusion database.*

4. CMS data usage and evaluation plan.

An independent agency with expertise in gambling harm minimisation should store and govern the CMS data. The agency would have capability to implement harm minimisation measures through a confidential platform and to provide or refer clients to appropriate support services where needed. There are examples from several other countries where pre-commitment schemes are used for harm-minimisation measures through the monitoring of patterns of play. Deviations from usual pattern triggers a pop-up message or other measures, or they can be discreetly contacted through the details they provide upon signing up. However these measures are only efficacious in reducing gambling harm if the scheme is made mandatory to all EGM players in the ACT.

In addition to using the CMS player data for harm minimisation purposes, the aggregate and de-identified data should be made accessible and used for an independent evaluation of the CMS. The CMS data could be complemented by data from clients and venue staff. To enable a meaningful evaluation, the scheme should be piloted and trialled with systematic data collection before and during the roll out of the scheme. *CGR recommends using player data for proactive and individualised harm minimisation activities, and making the aggregate de-identified data available for a carefully planned evaluation of the CMS.*

Conclusion

The evidence suggests that the proposed new maximum bet and credit amounts will result in little or no reduction of gambling harm. However, the introduction of a CMS that can implement loss limits, a pre-commitment of money and time, and behavioural monitoring with appropriate harm minimisation strategies can potentially mitigate some of the gambling harm experienced in the ACT community. These components will result in significant benefits on population level if implemented with comprehensive public health responses (health promotion, adequate support services).

On behalf of CGR,

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