



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2023-2024

Mr Mark Parton MLA (Chair), Ms Jo Clay MLA (Deputy Chair),
Mr Michael Pettersson MLA

ANSWER TO QUESTION ON NOTICE

DR MARISA PATERSON MLA: To ask the Minister for Gaming

[Ref: Portfolio area, MFG 166]

Hearing Date: 20 July 2023

In relation to: Casino EGMs

- 1) In the evidence given in the hearing by Minister Rattenbury he indicated that the casino had raised its concerns with the ACT Government that 'nobody makes machines that meet that requirement' of a \$2 bet limit. What is the technical difference of the ACT Government reducing the limit of all current machines in the ACT to \$5 to the Canberra Casino having machines that have a set limit of \$2?
- 2) What independent evidence will the ACT Government seek to corroborate the Canberra casino's raised concerns, before any progression to legislative change, to assure the Canberra public that there is no technical ability of potential future machines in the casino to be at a \$2 bet limit?
- 3) The 2019 ACT Gambling Survey found that of those that gambled in the casino – 41.2% were either low-risk, medium risk or problem gamblers (p.47). People in the ACT who gambled at the casino experience more harm than participants in any other form of gambling. How will the ACT Government consider the harm that is currently caused by the casino in our community in any further consideration of EGM licences in the casino?

SHANE RATTENBURY MLA: The answer to the Member's question is as follows: –

- 1) The ACT Government has been advised through engagement with BMM Australia, an independent consultant that works internationally on gaming machine technology and regulation, and through the ACT Government's technical working group that a bet limit is integral to the design of electronic gaming machine ('EGM') software. This is because the mathematics involved in various game elements, such as the lines of available play, denomination and bet options must be programmed to meet mandatory standards such as a minimum return to player and maximum bet (bet limit). Consequently, gaming machine game software must be programmed to support a given bet limit. A configurable limit is only available if designed into the software, and only for specified limits.

Gaming machines in the ACT and NSW are currently limited to a \$10 maximum bet. In other Australian States and the Northern Territory the gaming machine bet limit is \$5, sometimes with a higher or no limit for casinos. The ACT and NSW are alone in use of gaming machines based on X Series technology.

Consequently, gaming machines designed for supply to the ACT and NSW have historically been designed with a fixed \$10 bet limit.

The majority of ACT EGMs are confined in this way and require either replacement or a software upgrade to achieve a \$5 bet limit. The ACT Government has been advised by BMM Australia that some more modern EGMs supplied to the ACT may have a configurable bet limit, with either a \$5 or \$10 bet limit option.

Gaming machines designed with a \$5 bet limit for supply into other Australian jurisdictions are based on different technology, known as QCOM. While the ACT Government understands that it is technically possible to convert these EGMs to X Series technology, there is development effort and cost involved. EGM suppliers are unlikely to be willing to make this investment for a market as small as the ACT.

No Australian jurisdiction has a bet limit of \$2 and consequently there is no existing supply of EGMs meeting Australian standards available to Canberra Casino. It is highly unlikely that EGM suppliers would invest development cost and effort to make EGMs available only for the Canberra Casino.

The nearest equivalent are EGMs supplied to New Zealand, with a \$2.50 bet limit, which are based on QCOM technology. The underpinning EGM technology is less problematic for Canberra Casino because at present the ACT legislation deals with casino EGMs separately from those in community venues, and the Canberra Casino has no existing EGMs or EGM technology to accommodate.

There are, however, New Zealand specific variations to the EGM National Standard that require consideration.

- 2) The ACT Government's understanding of the technical issues is informed by engagement with sufficiently independent parties. These include BMM Australia, who are authorised by Australian governments to undertake independent technical evaluations of EGMs as part of regulatory approval, and others independent of Canberra Casino with appropriate industry knowledge.

While it is technical possible for EGMs to be designed with a \$2 bet limit, due to current regulatory settings across Australia EGMs with this bet limit meeting Australian standards are not available. There is insufficient market demand for suppliers to invest in design of EGMs offering this bet limit for supply of a maximum of 200 EGMs to Casino Canberra.

- 3) The *Casino (Electronic Gaming) Act 2017* currently sets out a process for allowing the operation of EGMs at Canberra Casino that involves consideration of gambling harm issues.

The first step, approval of an 'authorisation certificate' by the ACT Gambling and Racing Commission, involves consideration of a social impact assessment. The *Casino (Electronic Gaming) Regulation 2018* details a requirement for this assessment to include information about gambling prevalence and harm issues.

After acquiring authorisations, which are initially restricted such that these do not entitle the casino to operate EGMs, a further consideration of gambling harm issues occurs during the Minister's decision about whether to remove the restricted status of authorisations.

This process includes advice from an independent panel that may include people with knowledge and experience in strategies or services that reduce gambling harm.

EGMs operated by the casino must also be connected to a pre-commitment system that requires players to set a gambling loss limit and allows players to set a play time limit.

Approved for circulation to the Select Committee on Estimates 2023-2024

Signature:



Date:

17/8/23

By the Minister for Gaming, Shane Rattenbury MLA