



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: 013

Date Authorised for Publication: 11 October 2023



14 September 2023

Standing Committee on Justice and Community Safety,
ACT Legislative Assembly,
GPO Box 1020,
Canberra ACT 2601

Sent by email: LACommitteeJCS@parliament.act.gov.au

Dear Committee Members,

Thank you for the opportunity to make a submission on the inquiry into cashless gaming in the Australian Capital Territory.

GTA was established in 1994 and is the peak representative body for suppliers of gaming machine technologies in Australia. GTA members include leading Australian and international providers of Electronic Gaming Machines (EGMs) and technology equipment to both hospitality venues and government regulators. Our members include Ainsworth Game Technology, Aristocrat, Aruze Gaming Australia, IGT (Australia), Interblock Asia Pacific, Konami Australia, Light & Wonder and Tabcorp Holdings Ltd. Associate members include Paltronics Australasia, Utopia Gaming Systems and Wymac Gaming, with JCM Global as an affiliate member.

GTA supports cashless gaming on the proviso that any implementation is steered with the involvement of technology providers and venues. GTA members instigated the 'Regulatory Sandbox' cashless gaming trials in New South Wales, with one trial recently completed in June 2023 (Aristocrat Wests Newcastle), one underway (IGT-Club York trial) and one approved (Light & Wonder- ALH Group Crows Nest Hotel).

GTA is also a member of the NSW Independent Panel on Gambling Reform, which is tasked with progressing a larger trial of cashless technology in a mix of pubs and clubs across the State, in addition to developing a broader roadmap for gaming reform.

Responses to the terms of reference are included in the appended submission. Should you have any questions please do not hesitate to contact me on [REDACTED]

Kind Regards,

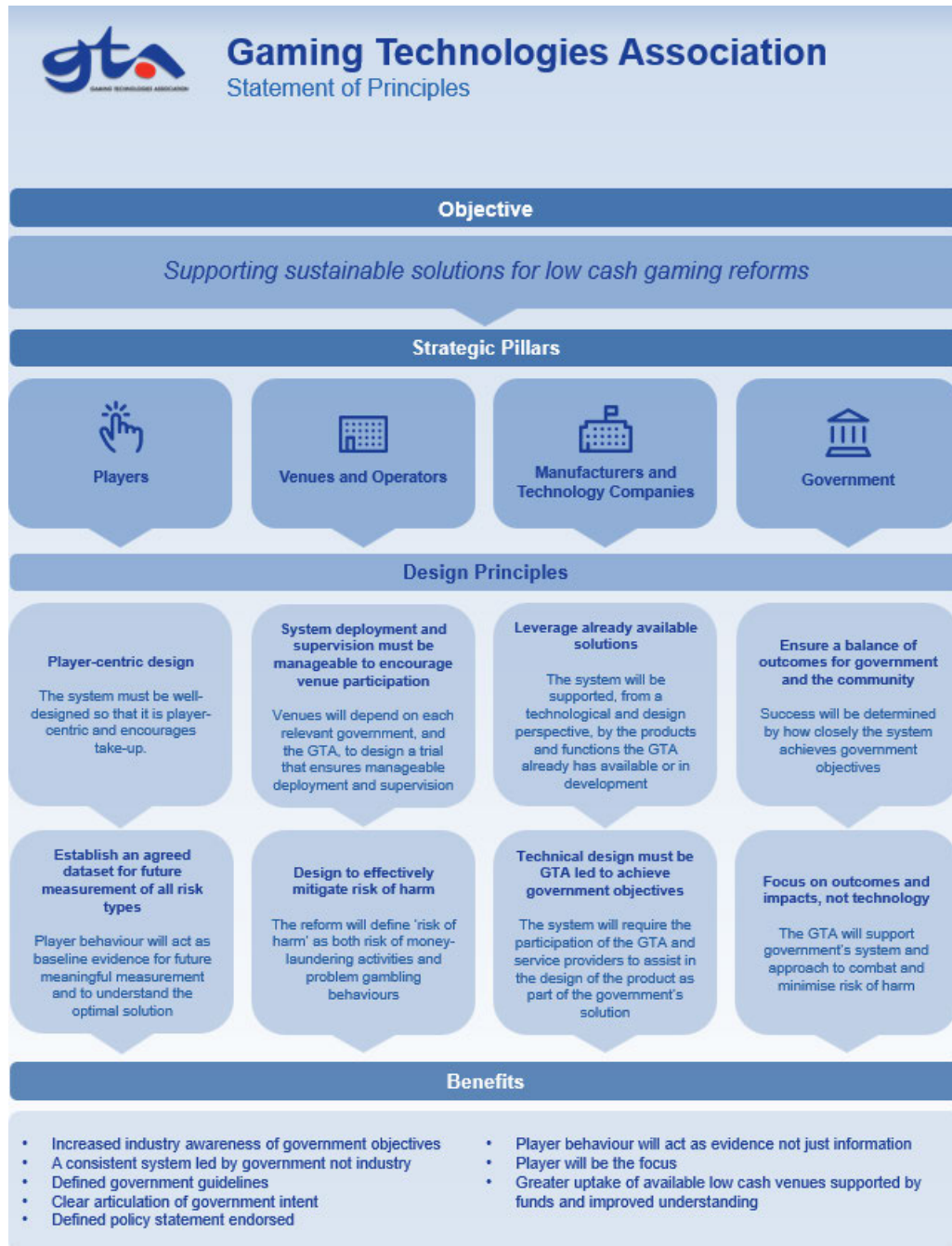
[REDACTED]
Jinesh Patel /
Chief Executive Officer
[REDACTED]



Gaming Technologies Association Submission to ACT Legislative Assembly Standing Committee on Justice and Community Safety Inquiry into Cashless Gaming

1. What the implementation of card-based cashless gaming technology in the ACT would look like;

GTA has developed a statement of principles to support sustainable solutions for low cash gaming reforms as outlined below:





These principles have been based on learnings from trials that GTA members have undertaken to date. GTA will provide the committee with the research reports from the Aristocrat and IGT trials once they are available.

The strategic pillars outlined in the statement of principles are as follows:

Strategic Pillar 1: Players

Design Principle #1: Player-centric design.

A well-designed player-centric approach is strategically significant to the implementation of any low-cash gaming reform. Through outcome-driven user experience design and the embedding of responsible gambling measures, a player-centric solution will create an environment that prioritises the player's needs, while enabling effective monitoring of player behaviours to minimise risk. This design principle will see the system provide utility and establish a foundation for broader acceptance of the reform within society.

Design Principle #2: Establish an agreed dataset for future measurement of all risk types.

Player behaviour data is the baseline evidence for future meaningful measurement of all risk types. Throughout system implementation (whether in system or rollout context), consistent measurement of various gambling risk types will enable accurate assessment of the reform's impact. It will allow for informed decision-making, effective policy adjustments, and evidence-based evaluations. An agreed dataset will form the foundation built on transparency, credibility, and long-term effectiveness in shaping responsible gambling practice. The data and measurement should be managed and reported independent of any vested interest in the process.

In theory, agreement on the dataset will rely on a clear policy statement and government direction. In practice and evaluation, it will enable timely intervention and maximise positive outcomes regarding the minimisation of potential harm across all risk types.

Strategic Pillar 2: Venues and Operators

Design Principle #3: System deployment and supervision must be manageable to encourage venue participation.

Venues will depend on government, and to an extent the GTA, to design a system that ensures manageable deployment and supervision. Implementing the system will come with on-the-ground challenges. Controlled implementation is critical as it has the capability to minimise disruption and maximise user acceptance, both in terms of venue adoption and player participation in non-mandatory environments. Manageable supervision is in government's best interest as it will guarantee compliance with regulations, support responsible gambling measures, and ensure



accurate data collection.

Design Principle #4: Design to effectively mitigate risk of harm.

The system must be designed to effectively mitigate 'risk of harm' both in terms of money-laundering activity and problem gambling behaviours. Risk and harm can be controlled through the design and integration of technological capabilities such as identification tools, limit setting, and real-time monitoring. This approach will promote responsible gambling behaviour, encourage early interventions, and have the ability to reduce excessive losses. By protecting the player, the credibility of the reform will be strengthened contributing to a safer gambling environment overall.

Strategic Pillar #3: Manufacturers and Technology Companies

Design Principle #5: Leverage already available solutions.

The system will be supported, from a technological and design perspective, by the products and functions the GTA already has available or in development. Harnessing existing systems will enable more rapid progress to a deployable system. It is in the government's best interest, to determine their requirements and specifications to meet the low cash reform's objectives, and to leverage the resources available. Leveraging these resources has the potential to streamline user adoption, reduce resistance to change, and accelerate the transition to a low-cash environment.

Design Principle #6: Technical design must be GTA-led to achieve government objectives.

The system will require the participation of the GTA and service providers to assist in the design of the product as part of any low cash solution. Industry input into the system's design will enhance the feasibility of implementation, align solution with existing practice, and promote an innovative approach.

Strategic Pillar #4: Government

Design Principle #7: Ensure a balance of outcomes for government and the community.

Success will be determined by how closely the system achieves government's objectives, meaning that these objectives must be clear. The reform must consider protecting the community and at-risk gamblers in tandem with impacts on the broader hospitality and gaming sector.

Design Principle #8: Focus on outcomes and impacts, not technology.

The GTA will support government's system and approach to combat and minimise risk of harm, however, technology is not the reason for the initiative – it is the vehicle. The effectiveness of any low cash gaming reform will be largely determined by the positive societal change it produces, encouraging responsible gambling behaviour and reducing harm. The technology is the vehicle responsible for support safe gambling practices and achieving meaningful benefits for individuals.



2. Experiences in other jurisdictions of cashless gaming trials, with particular consideration to issues around implementation;

New South Wales Cashless Trials

GTA members have participated in cashless gaming trials in New South Wales under the 'Regulatory Sandbox', which are industry funded. The primary purpose of the trials was to test whether the technology was suitable for licensed venues and whether it exacerbated gambling harm and to determine any legislative and technical requirements required for the technologies to be formally approved for use.

Aristocrat-Wests Newcastle Trial

This trial was submitted to Liquor and Gaming NSW in May 2021, with the trial commencing in October 2022, initially on 36 digital wallet-enabled machines. The trial was subsequently expanded to include 140 machines following feedback from trial participants. Aristocrat's technology features a digital wallet installed on a smartphone to fund EGM play. It creates a digital visa debit bank account for each user ('venue wallet') that is used to intermediate fund transfers between the user's external bank account and their gaming account ('gaming wallet').

The trial concluded in June 2023 and the independent research reported is due to be completed in the coming months. GTA is happy to inform the committee once the report is publicly available.

IGT-Club York Trial

The IGT-Club York Trial commenced in April 2023, covering all 112 of the venue's gaming machines. The trial is due to conclude in October 2023. The IGT cashless technology features a digital wallet installed on a smartphone to facilitate play. A player must link it to a bank account debit card. Stringent recruitment eligibility requirements which were imposed on the trial had to be broadened as it was difficult to recruit trial participants.

Light & Wonder/ALH Group trial

The trial which is to be undertaken at ALH Group's Crows Nest Hotel has been approved but has yet to commence. The Light & Wonder cashless gaming technology also features a digital wallet and was due to feature on all 30 machines in the venue.

Cashless trial learnings

There have been significant learnings in the cashless trials, with the primary issue from the outset being the stringent eligibility requirements which stated only players with recent gaming history



(over a period of at least 3 months) were considered. This was because there was a requirement of a research report and the end of the trial which allowed for researchers to compare gambling data pre and post trial. Had this requirement not been imposed, more participants could have been captured.

Another significant issue was concerns around data security and privacy, due to highly publicised data breaches of major corporations. Further, the above statement of principles developed by GTA is a roadmap based on learnings of the cashless gaming experience which members have been consulting with the New South Wales Government on for several years.