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**THE LEGISLATIVE ASSEMBLY FOR THE  
AUSTRALIAN CAPITAL TERRITORY**

**ELEVENTH ASSEMBLY**

**STANDING COMMITTEE ON JUSTICE AND COMMUNITY SAFETY REPORT NO 29  
INQUIRY INTO CASHLESS GAMING IN THE ACT – GOVERNMENT RESPONSE**

**Presented by  
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## Introduction

The Standing Committee on Justice and Community Safety ('Committee') resolved to conduct an inquiry into cashless gaming in the ACT ('Inquiry') on 3 July 2023, with particular reference to:

- a) What the implementation of card-based cashless gaming technology in the ACT would look like;
- b) Experiences in other jurisdictions of cashless gaming trials, with particular consideration to issues around implementation;
- c) The nature and extent of money laundering that may be occurring in licensed premises in ACT through electronic gaming machines;
- d) The extent to which card-based cashless gaming would impact organised crime in the ACT;
- e) The potential impacts on reducing gambling harm from electronic gaming machines in the ACT;
- f) Any legislative or regulatory considerations that would be required if card-based cashless gaming were to be implemented in the ACT; and
- g) Any cross-jurisdictional issues that may arise from the implementation of cashless gaming.

Submissions to the Inquiry closed on 1 September 2023. The Committee received 16 submissions from club industry stakeholders, gambling harm reduction organisations and the ACT Government.

The Inquiry concluded with the Committee publishing Report No 29, *Inquiry into Cashless Gaming in the ACT* ('Inquiry Report') on 26 June 2024. The Inquiry Report contains five recommendations to which the ACT Government now responds ('Government Response'). The Government Response was delayed by the timing of 2024 ACT election and pre-election period.

## Background to Government Response

The ACT Government has undertaken extensive research and consultation over several years to examine the issues associated with cashless gaming and wider gambling harm reduction measures.

During the last term of government, the *Parliamentary and Governing Agreement for the 10th Legislative Assembly* ('Parliamentary and Governing Agreement'), included 10 commitments towards reducing harm from gaming while supporting sustainable clubs. These measures included implementing gaming harm reduction measures similar to New South Wales such as cashless gaming, introducing bet and load up limits and a self-exclusion regime. Other elements of the Parliamentary and Governing Agreement included reducing electronic gaming machine ('EGM') numbers and supporting clubs to diversify and remain sustainable.

The government established the Community Clubs Ministerial Advisory Council ('CCMAC') to bring together expertise and representation from various stakeholder groups as a consultation forum about implementation of Parliamentary and Governing Agreement commitments. Sub working groups considered specific issues, including diversification barriers and opportunity and technical matters relevant to EGMs.

Concurrent to the work of the CCMAC, the ACT Government also sought external technical advice about implementing gaming harm reduction measures to assess the capability of existing gaming machines in operation in the ACT and the degree to which these can be reconfigured or updated to lower bet and load-up limits. Informed by this advice, the government undertook further consultation, researching and investigation of issues about the implementation of EGM harm reduction measures.

On 14 March 2024, the government released a market sounding to seek further information about technical issues relevant to identifying a viable approach to implementing technology-dependent commitments made in the Parliamentary and Governing Agreement. The market sounding process was designed to seek information from technology providers leveraging their expertise and knowledge in a specialised technology context. The responses to this process confirmed and built on the earlier external technical advice sought by the government.

The government was continuing work through these complex issues leading into the 2024 ACT election.

## **ACT Government Response to Recommendations**

### **Recommendation 1**

*The Committee recommends that the ACT Government articulate a long-term vision for gambling harm reduction in the ACT.*

Government Response: Agreed

Building on its work during the 10<sup>th</sup> Legislative Assembly the ACT Government will undertake an independent inquiry into the future of the ACT club industry. This process will see the development of a comprehensive industry transition plan aimed at articulating a long-term vision for moving clubs away from a reliance on gambling revenue while minimising and addressing possible negative impacts on organisations and people supported by the industry.

Additionally, the ACT Gambling and Racing Commission ('Commission') *Strategy for gambling harm prevention in the ACT: A public health approach 2019 – 2024* has reached the end of its intended delivery period. There is an opportunity for the Commission to review and renew its approach to supporting the government's efforts at reducing gambling harm. The government will work with the Commission to establish a robust and coherent future direction for responding to gambling in the ACT.

### **Recommendation 2**

*The Committee recommends that the ACT Government continue to reduce the number of electronic gaming machines in the ACT, irrespective of other policy positions it may take.*

Government Response: Agreed

The ACT Government has committed to legislate a pathway to reduce the number of EGMs in the ACT to 1,000 by 2045. This commitment builds on the government's work during the 10<sup>th</sup> Legislative Assembly, where it legislated to secure a reduction to 3,500 EGMs by 1 July 2025.

The government's Gaming Machine Voluntary Authorisation Surrender Scheme provides a cash incentive paid to clubs that voluntary surrender EGM authorisations of \$15,000 for each authorisation surrendered or \$20,000 per authorisation, if a venue goes pokies free. This will be available until 1 May 2025. If the target number of 3,500 machines is not reached through the voluntary surrender, the government can commence a compulsory surrender process.

The *Gaming Machine Act 2004* also provides for a mandatory 1 in 4 forfeiture of EGM authorisations as part of the authorisation trading scheme. The Act requires that the Minister review the operation of the trading scheme before 1 May 2025.

The ACT Government is committed to reducing the number of EGMs which will be supported by the government's commitment to an independent inquiry into the future of the ACT club industry.

### **Recommendation 3**

*The Committee recommends that the ACT Government introduce legislative amendments for the implementation of a mandatory account-based gaming system which includes a raft of integrated harm-minimisation measures such as mandatory precommitment on spending or losses, forced breaks and player-exclusion capabilities.*

Government Response: Agreed-in-principle

The ACT Government has committed to pursue mandatory account-based cashless gaming that delivers the gambling harm reduction measures proposed by this recommendation. Legislating as called for by the recommendation is premature while the government engages in further stakeholder consultation around a raft of proposed evidence-based measures. Further work will also be progressed with the club sector to support the implementation of the technology into ACT clubs.

### **Recommendation 4**

*The Committee recommends that the ACT Government ensure that the protection of personal and private information is a part of the design of any system designed to support harm-reduction in gambling.*

Government Response: Agreed

The ACT Government's work during the 10<sup>th</sup> Legislative Assembly on this proposal deeply and extensively considered privacy protection and data security issues.

The government's intent is that strict legal controls for privacy protection and data security 'designed in' with any technology solution to address gambling harm.

### **Recommendation 5**

*The Committee recommends that the ACT Government develop policies to facilitate diversification with respect to reducing clubs reliance on Electronic Gaming Machines.*

Government Response: Agreed

The ACT Government acknowledges the need to work with clubs while clubs transition away from a reliance on gaming machine revenue and has already been working with the industry towards this objective over the last two terms of the Legislative Assembly. The government's commitment to an independent inquiry into the future of the ACT club industry will lead to a comprehensive industry transition plan to facilitate a sustainable

transition away from club reliance on gambling revenue. The government intends that the inquiry will establish practical options, timeframes and measures to support the club industry, its workforce and other affected stakeholders during an industry transition.