Policy brief:
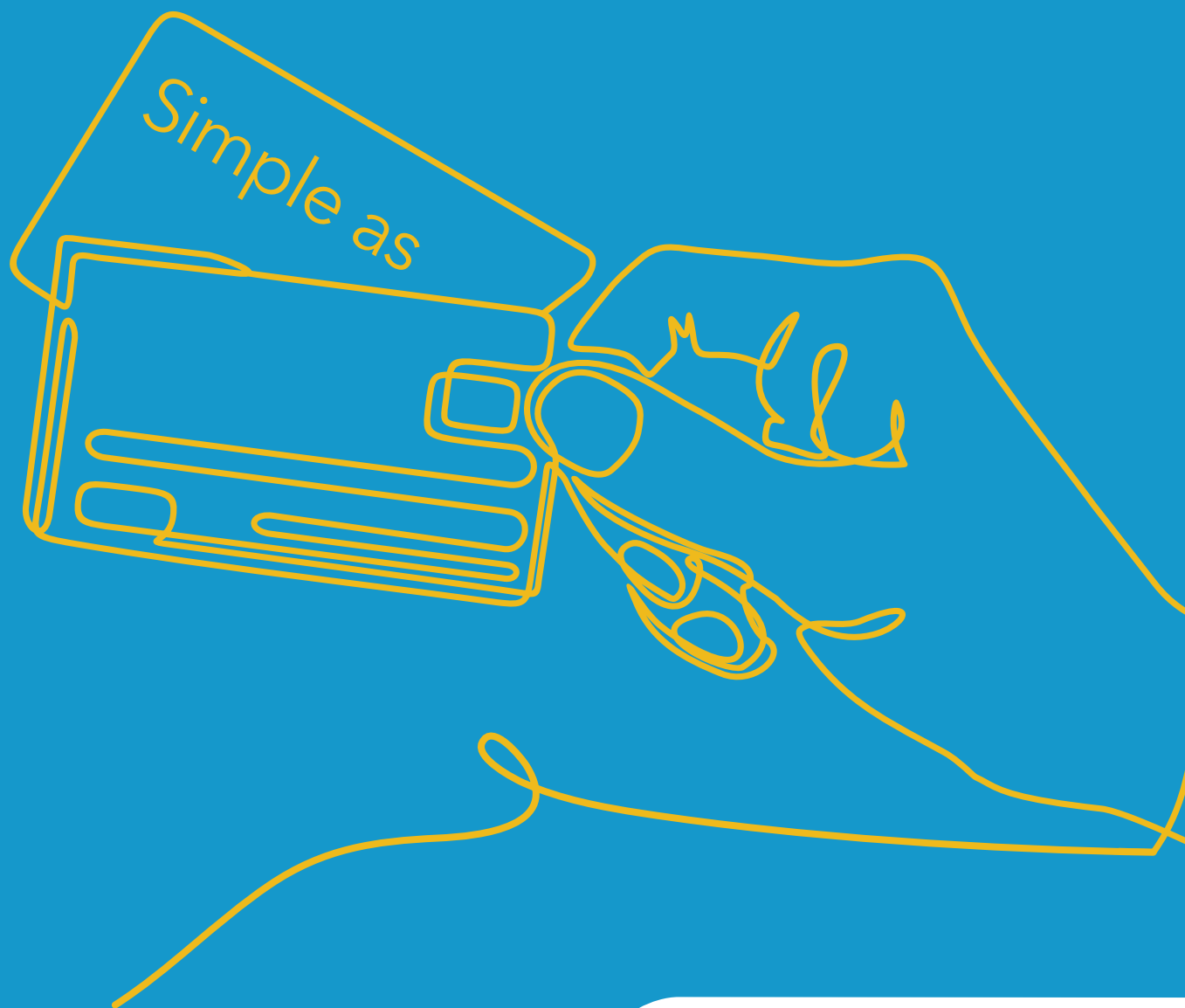
Options for reducing harm from Electronic Gaming Machines in Tasmania

December 2024

Simple as

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A JUST TASMANIA**

AnglicareTAS
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SOCIAL
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Contents

Anglicare Tasmania acknowledges the Tasmanian Aboriginal community as the traditional and original owners and continuing custodians of this land lutruwita. We pay respect to Elders past and present.

Electronic Gaming Machines cause harm

Electronic Gaming Machines (EGMs) are the most harmful form of gambling in Tasmania, accounting for almost half of all gambling related harm (O'Neil et al. 2021; Sathanapally et al. 2024).

In the past 12 months, 15,400 Tasmanians who use EGMs were at risk of gambling harm and a further 16,300 Tasmanians experienced direct harm as a result of somebody else's EGM gambling (Hing et al. 2022).

The total of people harmed is over 31,000. It is not a small number of Tasmanians.

On 19 November 2024, the Tasmanian Government announced that 'a range of harm minimisation measures will be progressed to reduce the harm associated with EGMs while the Government defers progress on a mandatory pre-commitment card' (Barnett et al. 2024), with the Premier stating that he would 'prefer to achieve 80 per cent of something than 100 per cent of nothing' (Tasmania House of Assembly 2024).

This paper canvasses the available options and their capacity to reduce and minimise gambling harm.

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Self-exclusion does not prevent harm

The current framework, which relies on a 'gambling responsibly' approach, is not adequately preventing harm to Tasmanians as a result of EGM use by themselves or by somebody else.

Over
1,800
regular EGM users want to seek help but haven't.

At least
two-thirds
of regular users of EGMs do not feel that they need help.

People who gamble underestimate the impact of their gambling on other people by up to
70%.

98%
of people using EGMs who are at risk of gambling harm are not engaging with Gamblers Help or enrolling in the self-exclusion program.

94%
of regular EGM users at risk of gambling harm are not seeking help from any source (Greer et al. 2023).

Relying on self-exclusion and a 'responsible gambling' approach is ineffective because people using EGMs, particularly those at high risk:

- are unlikely to self-identify the risk of harm to themselves and others before it occurs
- are unlikely to seek help even if they want to
- may not be capable of reducing harm if they experience a loss of control.

Increasing efforts to enroll people in self-exclusion or to 'gamble responsibly' will have little impact on harm reduction.

The policy objective

The objective is to reduce gambling-related harm in Tasmania by implementing measures to ensure that people using EGMs:

- are provided with the best information available to make an informed choice/decision about participation
- have the financial capacity to participate
- spend what they intend to spend
- are supported actively to address 'at risk' and gambling harm where relevant
- are protected from harm by actively identifying harmful gambling behaviours and interventions to prevent harm (TLGC 2022).
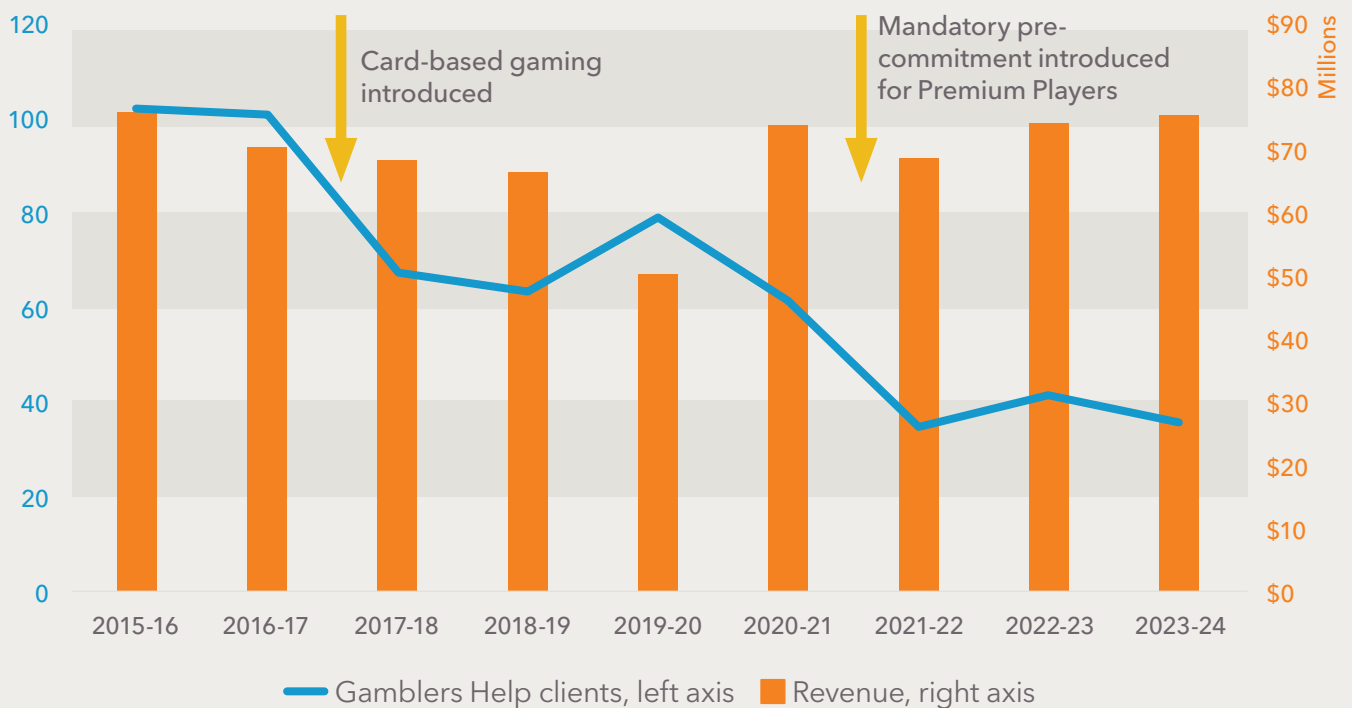
An effective policy will prevent and reduce harm to others, such as financial hardship, domestic violence and abuse, mental ill-health and substance abuse, that occurs when a person who gambles does not recognise their loss of control or need for support.

Tasmanian evidence of the effectiveness of a pre-commitment card

In Tasmanian casinos, a card is required to use EGMs. Since the introduction of card-based play in 2017 and pre-commitment in 2021, the number of people engaging with Gamblers Help who mainly use casino EGMs has fallen by over 60% (see Figure 1).

Figure 1. Gamblers Help clients who mainly use casino EGMs and casino EGM revenue, Tasmania 2015-2024

Card-based gaming introduced

Mandatory pre-commitment introduced for Premium Players

— Gamblers Help clients, left axis ▮ Revenue, right axis

Data source: Anglicare Tasmania; Department of Treasury and Finance

Since 2021, casino EGMs have had a pre-commitment card and EGMs in hotels and clubs have not. During that time, Gamblers Help data indicates that people using EGMs in hotels and clubs have experienced increasing rates of serious harm while users of casino EGMs have experienced a slight decrease. In 2023-24, people who mainly use EGMs in hotels and clubs were 3 times more likely to seek help due to gambling harm compared to people using casino EGMs.

Figure 2. Gamblers Help rate (number of people engaging with Gamblers Help per $10 million lost) for EGMs in Tasmania by venue type, 2023-24
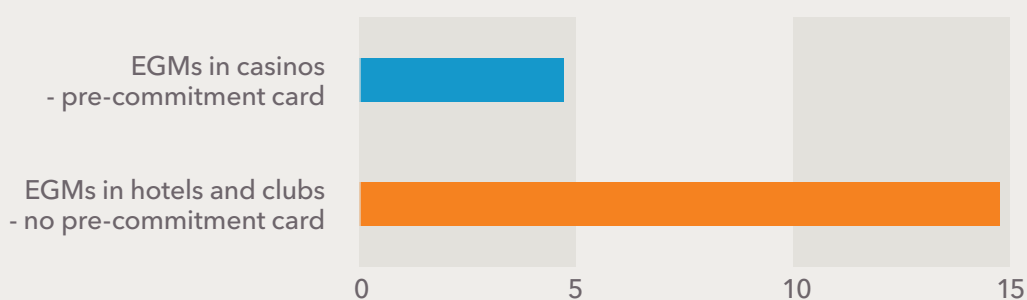
Data source: Anglicare Tasmania

A mandatory pre-commitment card with default loss limits:

• substantially meets the policy objectives
• provides protections to 100% of EGM users
• is likely to reduce gambling-related harm by an estimated 40-60%.

Virtually all reduction in revenue due to the implementation of the card is matched by a reduction in gambling harm of an equivalent or greater value.

Facial recognition technology does not meet the policy objectives

To date, the only alternative to the card proposed by the government is implementation of facial recognition technology (FRT).

This measure will only have a positive impact in cases where, without FRT, a person attempts to breach their exclusion *and* is able to do so *as a result of staff failing to recognise the excluded person*. Given that only 353 people were subject to exclusion in 2024 and that venue staff currently enforce exclusions to the best of their ability, the scope for harm reduction is very limited.

If, for example, 30% of excluded people (more than 100 people) are successfully breaching their exclusion under current policy and the introduction of FRT reduces this to below 1% (3 people), then the reduction in EGM-related gambling harm would be less than 3.5%.

Research reviewing implementation in South Australia reports that in order to reduce the likelihood of not detecting a person who is excluded, system thresholds are commonly set at a 70% probability of a correct match by venue managers. As a result, misidentifications are not uncommon and patrons who are not excluded are asked by staff to establish their identity. The research cautions that:

> 'the South Australian case illustrates how this technology does not appear to better address the core issues underpinning problem gambling, and/or substantially improve conditions for problem gamblers to refrain from gambling' (Selwyn et al. 2024).

A comparison of the card and FRT in relation to meeting the policy objectives is shown in Table 1.

Facial recognition technology (FRT)

- *does not* substantially meet the policy objectives
- provides protection to only 0.7% of EGM users
- is estimated to reduce gambling harm by less than 3.5%, under assumptions at the high end of impact.

Complementary population-level measures are required to achieve effective reductions in gambling harm.

Table 1 Capacity to deliver on the policy objectives

Policy objective	Mandatory pre-commitment card with default loss limits	Facial recognition
Provides players with the best information available to make an informed choice about participation	✔	✖
Ensures players have the financial capacity to participate	✔	✖
Enables players to spend what they intend to spend	✔	✖
Actively supports players to address 'at risk' and gambling harm where relevant	✔	✖
Enables active identification and intervention by venue staff to deal with gambling harm behaviours and patterns of play	✔	✔
Impact on harm to concerned significant others and vulnerable populations	✔	✖
% of EGM users protected by measure	**100%**	**0.7%**
Estimated overall harm reduction (compared to status quo)	**40-60%**	**<3.5%[1]**

✔ Substantially meets the policy objective
✖ Does not substantially meet the policy objective

1 Likely to be an overestimate as this assumes that exclusion breaches drop from 30% of people excluded to less than 1%.

Other options

A range of other options were analysed for their effectiveness (see appendix). Some of these measures have already been implemented in Tasmania. Most options, even if they are effective, only incrementally reduce the risk of harm and cannot meet the policy objectives on their own.

The options with the greatest scope for harm reduction in Tasmania are summarised in Table 2. The mandatory pre-commitment card combines a number of these harm reduction measures. These measures are shown in bold in Table 2. Some of these measures, such as information about time and money spent, can be partially implemented (e.g. for the session of play) without the card but would be less effective.

Table 2. Options for reducing harm from EGMs in Tasmania

Measure	How it reduces harm	Comment	Harm reduction
Mandatory limit-setting	Enables player to spend what they intended	Delivered by card and not feasible without card	Good
Default loss limits	Ensures player has financial capacity to participate	Delivered by card and not feasible without card	Excellent
Interventions based on tracking	• Enables active identification and intervention • Actively supports players to address 'at risk' and gambling harm where relevant	Delivered by card and not feasible without card	Good
Pop-ups or other interactive warnings	Provides information to make an informed choice about participation	Delivered by card, can be partially implemented without card	Moderate
Personalised information about time and money spent	Provides information to make an informed choice about participation	Delivered by card, can be partially implemented without card	Moderate
Situating venues away from at-risk populations	Reduces availability and accessibility of EGMs	Would require removal of EGMs from venues	Excellent
Limiting speed and intensity of EGMs	Modifies EGM features linked to gambling harm	Software change easily implemented	Moderate
Limiting bet sizes	Modifies EGM features linked to gambling harm	Software change easily implemented	Moderate

> With the exception of removing EGMs from hotels and clubs, other options do not substantially meet the policy objectives and will not reduce harm as effectively or as selectively as the card.

Recommendations

The Government's decision to defer implementation of the most effective option and allocate public expenditure to alternatives that are not effective requires justification and transparency.

On this basis, Anglicare Tasmania recommends that the Tasmanian Government:

1. **immediately publicly releases the Maxgaming report** containing the cost estimates on which the government's decision to defer implementation was based

2. **immediately publicly releases the Terms of Reference for the Deloitte Access Economics assessment** of the social and economic costs of the reforms and releases the final report as soon as possible after its receipt by State Government

3. **releases an action plan for reducing gambling harm before 1 March 2025**, outlining how it will work with other states, such as Victoria, to implement a mandatory pre-commitment card in Tasmania with default loss limits

4. **publishes a Gambling Harm Reduction Strategy for Tasmania that:**

   a. articulates the commitment to reducing and minimising gambling-related harm by ensuring that Tasmanians using EGMs:

      i. are provided with the best information available to make an informed choice/decision about participation

      ii. have the financial capacity to participate

      iii. spend what they intend to spend

      iv. are supported actively to address 'at risk' and gambling harm where relevant

      v. are under active identification and intervention by venue staff to deal with gambling harm behaviours and patterns of play

   b. identifies a mandatory pre-commitment card with default loss limits as the most effective and preferred option for meeting these policy objectives

5. **immediately introduce the following measures** for all electronic gaming machines that do not have mandatory card-based play with pre-commitment:

   a. $1 bet limits

   b. slower spin speeds (six seconds)

   c. prohibiting 'losses disguised as wins'

   d. smaller jackpots

   e. higher return to player

   f. mandatory closure of EGM venues between 2am and 10am each day

   g. automatic 10 minutes breaks in play after 2 hours of continuous gambling

   h. player activity statements based on the New Zealand Class 4 Gaming Machines Appendix to the Australia New Zealand Gaming Machine National Standard.

Appendix: Comparison of available options

In comparison to a universal pre-commitment card with default loss limits, most other options either do not provide a similar level of harm reduction or impose a greater burden on EGM users who are not at risk.

The Lancet Public Health Commission reviewed nine umbrella or systematic reviews on gambling harm reduction measures published between 2019 and 2023 (Wardle et al. 2024). Their summary of measures and the assessment of their effectiveness is summarised in Table 2, along with comments on the implementation of any of the measures in Tasmania. The measures that would be enabled by a mandatory pre-commitment card are highlighted in the table.

Table 3. **Summary of reviews on harm reduction measures.** Adapted from Wardle et al. 2024

Universal measures	Effectiveness at contributing to reduction in gambling harm	Tasmanian context
Caps on number of venues or EGMs	Effective if reductions are sufficient to reduce consumption	From 1 July 2023 EGMs in Tasmania capped at 3 530, of which no more than 2,350 are permitted in hotels and clubs
Pricing, taxation, low-return percentages	Potentially effective but risk increasing offshore market	Minimum return to player is 87%
Reduced opening hours for venues	Potentially effective, but evidence base limited	Gaming and wagering must not be available in each approved venue or approved outlet for at least four continuous hours within a 24-hour period
Legal age limit	Effective, but depends heavily on stringency of implementation	Minors are not permitted in a gaming area. Enforcement strengthened with mandatory pre-commitment card
Limiting accessibility to venues	Potentially effective, but depends heavily on stringency of implementation	
Restricting advertising	Potentially effective, but evidence base limited	Provisions restricting advertising provided in the Responsible Gambling Code of Practice
Information and awareness campaigns	Potentially ineffective, no evidence of associated decreases in gambling	Know Your Odds campaign Know Your Odds	The Longer You Play, The More You Lose
Limiting speed and intensity of products	Effective if reductions substantial enough	Minimum spin rate 3 seconds. Maximum limit of 50 lines
Limiting bet sizes	Potentially effective, if reductions substantial enough	Maximum bet $5 per spin
Limiting sensory effects in game design	Effective for EGMs, insufficient research on other products	Minimal – mainly in relation to credit bets exceeding wins

Selective measures	Effectiveness	Tasmanian context
Restricting access to cash or payment options	Potentially effective where ATMs are removed, and when note acceptors are removed from EGMs	Hotels and clubs are not permitted to have ATMs or note acceptors on EGMs. Limits on EFTPOS withdrawals
Situating venues away from at-risk populations	Effective	
Location of EGMs	Inconsistent evidence. Both visibility and isolation might be problematic: visibility can be problematic because it normalises gambling availability; isolation can be problematic because dedicated gambling spaces are often immersive	Gaming areas opened or remodelled after 1 Oct 2024 must be separate from rest of venue, not be the only thoroughfare to toilets, be designed so that gaming machines are not visible from outside except through an entrance, have no more than 2 doors, doors must be no wider than 1.8m.
Land-based venue design features (eg, lights, clocks)	Potentially effective, but depends on implementation	Provisions for lighting and clocks in Responsible Gambling Code of Practice
Smoking bans and alcohol restrictions at gambling locations	Effective at partial reduction	Smoking bans in place. Some alcohol service restrictions
Venue employee training	Effective in terms of staff capabilities, but insufficient evidence on effects for customers	Training required every 2 years in the Responsible Conduct of Gambling
School-based programs and programs targeting youth	Potentially effective, but contradictory evidence	Holiday and after-school programs, online resources Anglicare Tas	Clued In Program
Pop-ups or other interactive warnings	Effective, but depends on implementation	Would be enabled by mandatory pre-commitment card
Personalised feedback or personalised normative feedback	Potentially effective, but most available evidence based on short timeframes (ie, 3–6 months), insufficient evidence on long-term effects	
Warning labels on products or warning signs	Potentially effective, but depends on implementation	
Providing details of helplines	Inconsistent evidence	Provided in venues and on websites
Voluntary limit-setting	Mostly ineffective but inconsistent evidence	
Mandatory limit-setting	Effective	Would be enabled by mandatory pre-commitment card
Self-exclusion	Potentially effective, but depends on stringency of implementation	Tasmanian Gambling Exclusions Scheme

Targeted measures	Effectiveness	Comment
Educational interventions and priming analytical thinking	Potentially effective, but depends on implementation	
Interventions based on tracking	Effective	Would be enabled by mandatory pre-commitment card
Personalised feedback and motivational interview	Effective	Gamblers Help
CBT and other therapeutic approaches	Potentially effective	Available privately or online
Motivational interviewing interventions	Effective	Gamblers Help
Brief interventions	Small effect (particularly with an educational element)	
Internet-based CBT therapies	Effective (but high rates of attrition)	
Self-help interventions	Mixed evidence due to diversity of interventions	e.g. gamblinghelponline.org.au
Mutual support groups (including Gamblers Anonymous)	Small effect	SMART recovery group meetings in Launceston, Hobart and Glenorchy. Online meetings are also available
Pharmacological interventions	No conclusive evidence and no evidence to recommend a specific drug treatment	

ATMs=automatic teller machines

CBT=cognitive behavioural therapy

EGMs=electronic gambling machines

Note that the description of a measure as effective means that the measure is effective in achieving what it aims to do and potentially can contribute to reducing gambling harm. It does not mean that the measure meets the policy objectives.

Effective options
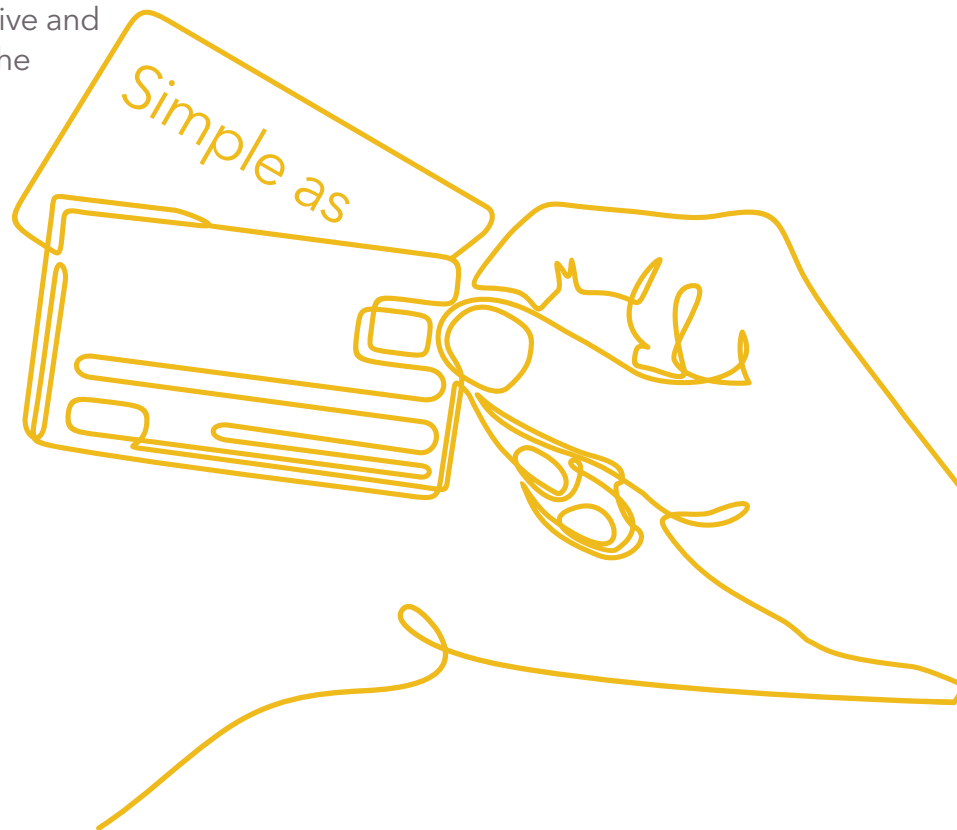
A mandatory pre-commitment card

The proposed mandatory pre-commitment card would enable a range of effective harm minimisation measures to be implemented including:

- mandatory limit setting
- interventions based on player-tracking including:
  - expenditure/loss limits
  - self-exclusion
  - age-verification
- interactive and personalised messaging (including activity statements)
- mandatory breaks in play.

Player-tracking monitors a gambler's activity across multiple sessions and/or operators, providing a clearer picture of the person's risk of harm and enabling harm reduction efforts (Newall and Swanton 2024). In addition to enabling direct harm minimisation measures such as loss limits, player-tracking can reduce harm by:

- enabling better understanding of gambling behaviour through collection of de-identified data
- providing a platform to evaluate harm reduction measures through 'gold-standard field trials' (Newall and Swanton 2024).

Most of these measures are selective and targeted with minimal impact on the experience of EGM users who are not at-risk. The card is not a blunt instrument.

Other effective options

In the absence of the mandatory pre-commitment card, other effective options for consideration are:

- situating venues away from at-risk populations (eg. confine EGMs to casinos)
- limiting speed and intensity of products
- limiting bet sizes
- pop-ups or other interactive warnings.

These options are briefly discussed below.

Confine EGMs to casinos

Impact on EGM users

This measure reduces availability and accessibility of EGMs, particularly in socioeconomically disadvantaged communities where gambling harm is more frequent (Badji et al. 2021). EGMs remain available in casinos where they are subject to card-based play with mandatory pre-commitment.

This option also restricts access to EGM for users who are not at risk of harm and do not live near a casino.

Impact on venues

Hotels and clubs with EGMs would lose the revenue from EGMs and may also lose revenue in other parts of their business from patrons who choose the venue because it has EGMs.

The 78% of venues operating without EGMs provide evidence that EGMs are not essential to business viability. However, individual businesses that currently have EGMs will experience a negative impact, proportionate to their business model's reliance on EGM revenue

Impact on gambling harm

Research evidence indicates that this option would reduce gambling harm and is likely to reduce financial hardship and mental ill-health (Badji et al. 2021). Research also suggests that removing EGMs from hotels and clubs may increase the overall hedonic wellbeing (the state of 'feeling good') of people who live close to venues that currently have EGMs (Badji et al. 2021).

Based on Anglicare data it is estimated that significant harm per $1 of losses would be 50% lower. Adding the impacts of reduced total EGM losses, gambling-related harm is likely to be reduced by more than 50% compared to the status quo.

> **This is the only option likely to deliver harm reduction comparable to the proposed card.**

Limiting speed and intensity of products and limiting bet sizes

The 2024 Tasmanian State Election Joint Statement on Poker Machines in Tasmania signed by 24 advocates for harm reduction (including Anglicare Tasmania) recommended introducing safer machine design features, including:

- $1 bet limits
- slower spin speeds (six seconds)
- prohibiting 'losses disguised as wins'
- smaller jackpots
- higher return to player
- reduced opening hours for poker machine venues.

These measures seek to directly counter the impacts of some of the features of EGMs that increase the risk of harm.

An additional recommendation is to introduce mandatory breaks in play by programming machines to pause play for 10 minutes after 2 hours of continuous play. During the break, a session activity statement should be displayed (see below) and the user must opt-in at the end of the break to continue play.

This recommendation was not previously included in the above list because it was proposed to be a feature of the card during the election campaign.

Although these measures will effectively contribute to harm reduction they are not as selective or as effective as the combined measures delivered by the card.
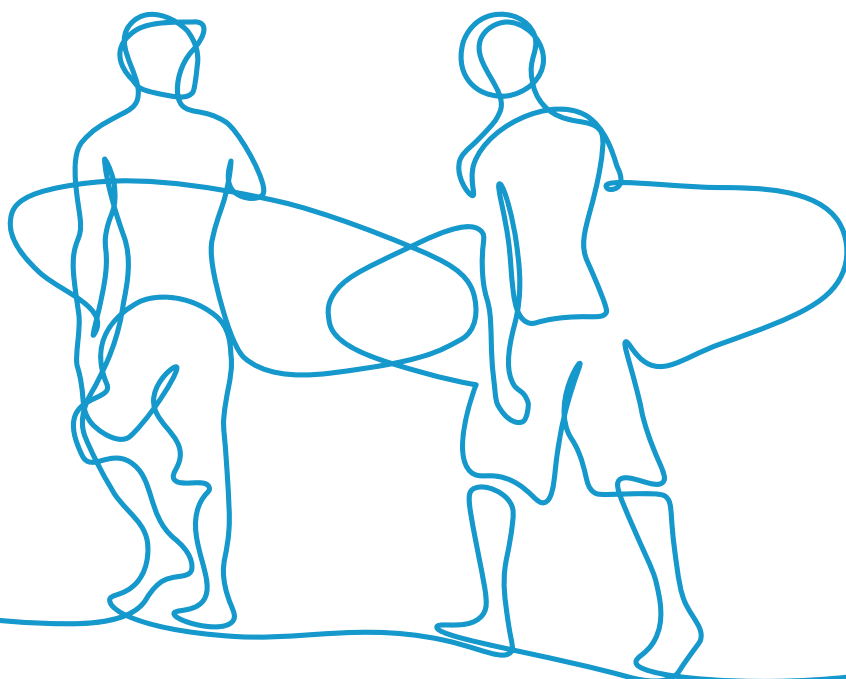
Pop-ups or other interactive warnings

In New Zealand, EGMs must display player information at the commencement of play and at random intervals display the following player information:

- the duration of the current session of play
- the amount, expressed in dollars and cents, that the player has spent during the current session of play
- the player's net wins or net losses during the current session of play (New Zealand Government 2022).

Machines also pause play for 10 minutes after 2 hours of continuous play, during which time the player activity statement is displayed.

The display showing the player information must include a feature that asks the player they wish to continue their session of play.

This measure will contribute to harm reduction but is not as selective or effective as the card.

Voluntary pre-commitment is not effective

This option is mentioned only to note that it is reported to be ineffective.

Uptake of Victoria's voluntary 'Yourplay' card was exceedingly low with an evaluation finding that 'In 2017/18 YourPlay cards were used in sessions amounting to 0.01 per cent of gaming machine turnover in Victorian hotels and clubs' (Whetton et al. 2019). The benefits of the card for players who chose to use it were substantial and Victoria has subsequently announced that they will introduce a mandatory pre-commitment card (Whetton et al. 2019).

Introduction of a voluntary card with pre-commitment features could be justified in order to test and refine a mandatory card prior to its introduction.

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About Anglicare Tasmania

Anglicare, in response to the Christian faith, strives to achieve social justice and to provide the opportunity for people in need to reach fullness of life.

Anglicare Tasmania is a state-wide provider of a wide range of community services, including government funded financial counselling and gambling support services.

Our values

Hope	Compassion	Justice	Respect
Confidently reaching for fullness of life.	Showing empathy and care for those in need.	Promoting the fair distribution of resources and opportunities.	Recognising the inherent value and dignity of every person.

Anglicare Tasmania's Social Action and Research Centre

The Social Action and Research Centre investigates how and why Tasmanians are affected by poverty and inequality. We use what we learn to advocate for changes that improve people's lives.

Our qualitative research centres on the lived experience of Tasmanians. It often features the voices of people who use Anglicare services and our frontline workers.

Our quantitative research uses data to demonstrate social trends.

We brief government and stakeholders on our research and create opportunities for networking and collaboration.

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