# JOINT SELECT COMMITTEE ON GAMBLING REFORM

## INQUIRY INTO PRE COMMITMENT

I would like to clarify why I was critical of Clive Allcock's suggestion (referring to the document sent to Jenny Macklin) and in relation to the email I sent to the Gambling Impact Society (Kate Roberts) which was the 2nd attachment on her submission (No. 36).

Mr. Allcock was talking about reducing large prizes seemingly as a *replacement* for pre commitment. However, this on its own would be totally inadequate as you would still be left with a product that is capable of vacuuming up vast amounts of money just through routine play. This being due to note acceptors, multi lines and credits, fast pace play, free spins and the list goes on. You don't have to be playing very high stakes or chasing jackpots to get into trouble with modern poker machines. Mr. Allcock was ignoring, as if it had no bearing, these and other factors. Including how one can simply become unwittingly trapped in the processes of these machines and end up paying a very heavy price for it.

I was involved with poker machines throughout their 'evolution' and they were 'addictive' even in their unsophisticated form. This was long before linked jackpot machines became a reality and when prizes on machines were reasonably conservative in relation to the time. Therefore, having problems with them <u>was not</u> just about 'jackpots'/large prizes. At that time and among other factors, what restrained the potential damage they could cause were minimal lines and credits available to play (at one stage only 1 line and coin) there were no ATMs in venues, no note acceptors and earlier machines I played didn't even have credit meters, therefore most pays just fell into the tray. Also, the denomination of the coin matched the denomination of the machine played i.e. a ten cent piece was played on a ten cent machine, so basically, the whole setup was quite different.

If linked jackpots/higher prizes on machines were substantially reduced or eliminated, it would require an all round reduction of other hazardous aspects of the machines. There is no point in reducing higher prizes if the machines can still gobble up $100's of dollars an hour because of the way they are presently configured. Through experience and giving just one example, you can lose $400 out of your own pocket in forty minutes playing a 1 cent machine at $1.50 a spin. Here in NSW you can play up to $10 a spin, therefore, losing $400 in 40 minutes while playing only a fraction of $10 indicates what people are dealing with when 'playing' these machines.

The above scenario could change however if there is an overall reduction (to whatever degree) in the volatility of machines if (hypothetically) higher prizes on machines and (presumably) linked jackpots were abolished or substantially reduced. As a consequence, players may get a better deal and be 'entertained' for a bit longer. Though how this actually pans out in reality is to be seen. However, one thing that may be revealed through the riddance of

higher prizes is the extent to which people become addicted to the products' characteristics more so than to gambling per se.

You have to ask – with the way the machines are now, how many people are chasing jackpots out of real gambling motivation (greed if you like) compared to those who are doing it out of desperation because of the frightening way money can be so easily lost in these machines through routine play. Gaming machines, according to the GTA "are designed as recreational amusement devices on which people can spend money. Players are not forced to play machines nor are machines designed to be addictive" (see http://www.gamingta.com/pdf/playerinfo.pdf). Regardless of how they like to construe it, poker machines are the most expensive and addictive 'amusement' device I have ever 'played'.

I don't see the lowering/elimination of high prizes as a replacement for pre commitment at all.

In relation to my comments of the example I gave of how much can be lost in the space of 40 minutes. I sat there many a time dumbfounded as to how much these machines were taking off me (I started timing it periodically only late in the piece – those little clocks on the machines came in handy for something). Therefore, I am very much in favour of the Productivity Commissions recommendation on P. 8.24:

"Governments should ensure that gaming machine players are informed about the cost of playing through disclosure of the 'expected' hourly expenditure and the percentage cost of play". I would add here that there has to be realism about this so that people are not led up the garden path by fanciful figures. What highlighted this concern; see PC report pages 11.9 and 11.10. (GTA's disagreement with the PC).

The pre commitment system that appeals to me most is the one put forward by Responsible Gaming Networks as it seems pretty comprehensive (sub No. 39). However, I am concerned about what will become of it all if an ineffective voluntary system is chosen.

Concerning Scientific and Technology Innovations (sub No.4), not only was their proposal dreadful but the way they spoke of 'problem gamblers' was belittling and offensive. And no, I am not saying this because somewhere it mentions Clive Allcock's name, I thought this about it before I even came across his name.

I was quite impressed by Cash ATM (sub No. 1). As the situation stands, it can be very detrimental to drain funds from ATMs in venues. However, the system they are proposing, from what I can tell, appears to allay these concerns to a large extent (though I don't know enough about it to be certain). If it is as good as it seems then I don't see why it couldn't be used as an alternative to blanket restrictions or removals of ATMs. Although the availability of money in relation to poker machines was always a major concern of mine and was a great detriment to me personally, I can also appreciate that restrictions on money could affect other parts of their business.

Like many others, I am not ‘anti gambling’ or even anti poker machines really. I would just like to see it become a safer deal especially in relation to the increasing influence of technology on gambling products and environments where people have no real way to assess what kind of an impact these evolving technologies may have on them.

Since this ATM proposal appears mainly in the interests of the industry (particularly Victoria) but which also benefits ‘problems gamblers’ as well, we possibly may not hear the usual denigrating remarks made by industry about how these ‘problem people’ will find ways to circumvent it.

Thank you.