

# Gaming Guideline G15 – Minimising harm from gaming machine gambling

*This guideline is made under section 18 of the Gaming Machine Act 1991 to outline the Commissioner for Liquor and Gaming's expectations and approach towards minimising harm from gaming machine gambling.*

This Guideline applies to applicants for new gaming licences and existing licensees seeking extended trading hours, additional (gaming) premises and/or additional gaming machines.

## **1 Legislative and strategic framework**

The object of the *Gaming Machine Act 1991* (Act) is to ensure, on balance, the state and the community as a whole benefit from gaming machine gambling. Minimising harm or potential for harm from machine gambling is an important element in achieving this outcome.

Although it is recognised the regulatory framework and the responsible gambling code of practice create certain harm minimisation obligations and expectations, these are in effect the minimum standards for compliance. Licensees must be prepared to adapt and respond to emerging risks, such as rapid advancements in gaming-related technology.

To ensure community expectations continue to be met in a contemporary manner, the Commissioner is empowered under the Act to impose licence conditions in the public interest and to ensure the proper conduct of gaming.

The imposition of conditions on higher-risk applications and applications of significant community impact ensures the level and types of control are appropriate given the identified risk of harm or potential harm.

## **2 Risk management principles and considerations**

The regulatory framework specifically recognises gaming machines are a potentially harmful product which require strict regulation and controls around their operation.

Gaming machines have been established as the gambling product most associated with problem gambling risks and associated harms.

Licensees have a duty to take all reasonable steps to prevent and minimise harm from the operation of gaming machines. It is therefore important for licensees to be able to recognise relevant risk factors and develop processes in response to those factors.

Risk management is critical for the prevention and minimisation of harm caused by gaming machine gambling. Risk management is not red tape, rather it refers to the deliberate actions taken to identify, understand, and deal with machine gaming risks with the overall objective of preventing and minimising any harm.

The *International Organisation for Standardisation (ISO) 31000:2018 Risk management – Principles and Guidelines*, provides guidance on how to manage risk. The standard is not industry or sector specific but its principles can be regarded as an appropriate foundation for effective and efficient risk management and decision-making across all aspects of a licensee's business.

In undertaking risk management, the licensee should examine and understand its external and internal context, including human behaviour and cultural factors. Meaningful community and stakeholder communication and consultation will inform the process. When selecting actions to manage the risk, the licensee should consider the values, perceptions and potential involvement of stakeholders and the most appropriate ways to communicate and consult with them.

In considering the risks, it is important to identify the risk and implement appropriate controls and actions in order to remove, prevent, or minimise any potential harm.

*A step-by-step approach to risk management:*

The following steps can be used by licensees when considering risks for machine gambling:

1. Identify the risk – What is it / what would cause it to occur / what would it result in?
2. Assess the risk - What is the consequence and how likely is this to occur?
3. Control the risk – What can be done to manage the risk?
4. Review control measures – Are the control/s working?

Due to there being reasonable grounds for concern that machine gambling could cause harm, the 'precautionary approach' should be taken when managing these risks. A precautionary approach means that controls are implemented proactively to manage the risk and prevent harm, despite a lack of certainty as to the likelihood, or severity of that harm.

In determining the relative risk of a gaming application for a premises the Commissioner will, amongst other things, consider the *index of relative socio-economic disadvantage* for the surrounding area. This data is obtained from the broader 'socio-economic indexes for areas' (SEIFA) dataset collated by the Australian Bureau of Statistics and measures the relative disadvantage of an area based on a range of variables.

The socio-demographic risk factors for problem and at-risk gambling are not limited to these specific indicators however, as there is substantial research available which captures a broad range of characteristics including (but not limited to):

- lower socio-economic status;
- high unemployment;
- young males aged 18-34;
- low occupational status;
- lower levels of formal education;
- high proportion of Aboriginal and Torres Strait Islander people.

These social risk factors should be considered as part of a systematic risk assessment.

The Commissioner also considers the following environmental and premises-specific factors when assessing a gaming application:

- The compliance history of the licensee as relevant to the conduct of gaming machine gambling.
- The licensee's commitment to responsible gambling practices, including the responsible gambling code of practice.
- The number of gaming machines on (or proposed for) the premises.

- Whether the premises operates (or intends to operate) with extended trading hours (particularly after 2:00am).
- The licensee's relationship with its local Gambling Help provider/s.
- The licensee's approach to exclusion management.

It is important to note these factors are not exhaustive, and the Commissioner will identify and assess risks presented by each application on its own merits.

### **3 Application assessment process**

It is expected the submission material provided in support of gaming applications will clearly identify and assess risks and nominate the control measures the licensee will implement to manage the risks.

The submission will have greater weight should it be complemented by evidence demonstrating consultation with relevant community stakeholders, noting the objects of the Act. Stakeholders may include persons who have a proper interest in the locality concerned and are likely to be affected by the grant of the application (e.g. nearby residents and/or business operators); or otherwise represent the interests of such persons (e.g. a local member of parliament or gambling help services).

Rather than addressing risks and harms as they arise, the Commissioner favours the implementation of preventative measures aimed at reducing the likelihood of harm and improving the venue's readiness to deal with early signs of problem and at-risk gambling.

If the Commissioner believes the measures implemented to manage risk are not proportionate to the levels of potential harm, the Commissioner is likely to exercise their discretion to impose appropriate licence conditions to minimise the risk to an acceptable level.

Prior to such action being taken, applicants will be provided an opportunity to provide further evidence of their ability to implement suitable preventative measures. The Commissioner does not adopt an 'one size fits all' approach to licence conditions and accordingly, any conditions imposed in consideration of this process will reflect the individual merits of the application.

### **4 Practical considerations to assist in the management of higher-risk applications and applications of significant community impact**

Matters of significant community impact are defined in section 55A of the Act and higher risk applications include those where socio economic indices in the relevant locality raise heightened concerns of potential gaming related harm.

The following provides guidance on potential controls licensees can implement as part of their own proactive risk management measures, noting these strategies enhance and complement the corresponding minimum legislative and code of practice standards.

These examples are not exhaustive and licence applicants should decide on controls based on their risk assessment processes.

#### **4.1 Supervision of gaming**

*Current legislative standard:*

The Gaming Regulation 2002 provides that licensees must ensure the layout of the licensed premises allows for the continuous supervision of each gaming machine available for gaming.

It is recognised a large majority of premises rely on a combination of CCTV coverage and direct (visual) staff supervision to meet this obligation.

*Relevant risks:*

There is ample evidence to show machine gambling is a potentially harmful product, particularly for problem and at-risk gamblers. Harm is experienced more by gaming machine players than other forms of gambling, particularly by regular gaming machine players, with harm increasing significantly as frequency of play increases.

*Potential mitigations:*

Being able to effectively identify and address problem and at-risk gambling behaviour should be a fundamental part of a licensee's harm minimisation strategy. If player behaviour is not sufficiently monitored, intervention cannot occur when necessary.

Rather than relying on CCTV and other ad-hoc interactions, 'walk-throughs' of the gaming room area by suitably trained staff at regular intervals is a key component in managing these risks. Walk-throughs are considered most effective when their primary purpose is to actively observe player behaviour. This does not prevent staff undertaking concurrent ancillary duties provided that the primary purpose of the walkthrough is being achieved as it is recognised that duties such as drinks service or the collection of empty glasses, can provide an informal means of engaging with customers.

Further, gaming machine monitoring systems capable of better addressing these risks are continually evolving. This includes automated risk monitoring systems used to alert staff to extended play or excessive expenditure, and other systems which analyse player data to identify at-risk and problem gambling behaviours enabling targeted interventions.

#### **4.2 Effective responsible service of gambling policy**

*Current legislative standard:*

The Act requires licensees to maintain a system of procedures and practices (commonly known as a 'responsible service of gambling policy') to ensure gaming operations conducted at the premises comply with the Act.

*Relevant risks:*

As established above, the effective identification of patrons exhibiting problem or at-risk gambling behaviour should form a fundamental element of a licensee's harm minimisation strategy.

If the licensee and its staff do not have clear readily accessible procedures in place in relation to responding to patrons showing signs of problem gambling or harm and the identification and removal of excluded persons from the premises, there is a risk staff will not be able to confidently implement these crucial harm minimisation measures.

This could lead to further harm being caused to a person who is already suffering from or may be at risk of developing a gambling problem.

*Potential mitigations:*

Licensees should maintain a responsible service of gambling policy which clearly outlines effective procedures for identifying and interacting with patrons who are exhibiting problem or

at-risk gambling behaviours, including requesting a patron take a break away from the gaming machine area where appropriate and the enforcement of exclusion orders where required.

### **4.3 Ongoing responsible gambling training**

*Current legislative standard:*

The Act provides that a person must not carry out gaming duties or gaming tasks on licensed premises unless they hold a current responsible service of gambling course certificate.

*Relevant risks:*

Under the provisions of the Act, the training course required to obtain the course certificate only needs to be completed once by an employee to remain involved in gaming duties and tasks.

As there is no legislative obligation for this training to be renewed, including in response to changes to the regulatory framework, it is likely some staff's understanding of best harm minimisation practices may become outdated or may no longer align with emerging trends and issues if there are no ongoing updates.

*Potential mitigations:*

To ensure staff remain continuously educated on current harm minimisation practices, licensees are expected to be proactive in facilitating the ongoing training and education of their staff. Such training should be conducted on a sufficiently regular basis for all staff involved in gaming duties and tasks (including management) and licensees should have systems in place to ensure the delivery and completion of this training is appropriately recorded.

Various training resources, including several RSG refresher training videos, can be accessed through the ['gaming industry training'](#) material on the Business Queensland website.

### **4.4 Pre-commitment**

*Current legislative standard:*

There are no legislative obligations or prescribed practices within the code of practice relevant to the implementation of pre-commitment functionality in gaming machines.

*Relevant risks:*

Recent research findings have shown gaming machine users frequently underestimate how much they spend on gambling and commonly report spending more than they had intended. Further, continuous forms of gambling may lead to impaired control, even in recreational gamblers.

Without being provided any tools to assist with monitoring and limiting their gaming expenditure, there is a risk that gaming patrons will lose more money than they can afford while at licensed premises, leading to various negative consequences (e.g. inability to pay bills and other hardships).

*Potential mitigations:*

Pre-commitment is readily available through Queensland's approved licensed monitoring operators. Pre-commitment systems enable limit setting (both money and time) for machine

gambling which ensures patrons can make decisions regarding their potential losses prior to play commencing.

In addition to being an effective tool to minimising the risk to vulnerable gamblers, pre-commitment can also assist recreational or low-risk players in setting the limits of betting and time, which helps to prevent unintended, excessive gambling.

In circumstances where an application for a new gaming machine site is accompanied by a Community Impact Statement raising issues of socio-economic concern, the Commissioner would expect the applicant to implement the necessary systems to support the use of pre-commitment technology.

In such circumstances the Commissioner is unlikely to accept an argument the technology is cost prohibitive, particularly given the capital investment required to establish a gaming venue and to source entitlements or authorities.

#### **4.5 Dedicated customer liaison officer**

##### *Current legislative standard:*

The Act provides that a person must not carry out gaming duties or gaming tasks on licensed premises unless they hold a current responsible service of gambling course certificate.

Although there is no legislative requirement to have a customer liaison officer on the premises, the code of practice does recognise the appointment of a customer liaison officer as a recognised responsible gambling practice. Such appointments provide the licensee with the ability to “know” their customer and enhance the efficacy of any intervention strategies.

##### *Relevant risks:*

It is recognised licensees provide a wide range of services outside of gaming and this usually requires staff to undertake a variety of roles and duties within the premises. Dedicated and readily identifiable customer liaison staff are, however, expected to be reasonably available during the approved gaming hours for the premises to support gaming staff in relation to and assist patrons with gambling-related problems, while also developing linkages with local community groups where opportunities arise.

There is a risk that without a dedicated customer liaison officer, venue staff may not always be able to effectively monitor and address the indicators associated with at-risk and problem behaviours in the venue’s patrons, increasing the potential likelihood of gaming-related harm occurring as a result of gaming operations conducted at the premises.

##### *Potential mitigations:*

The role of the customer liaison officer is an important one, as they are able to assist the premises adhere to its harm minimisation practices and are trained to provide appropriate information to assist patrons with gambling-related problems. Licensees should ensure patrons are aware of the presence and services of the customer liaison officer.

It is also intended licensees, in conjunction with their customer liaison officers establish and maintain a cooperative relationship with local community groups to identify and address specific gambling-related problems in the local community.

#### **4.6 Relationship with Gambling Help providers and services**

##### *Current legislative standard:*

The Regulation requires licensees to display a sign advertising services available to help problem gamblers in a conspicuous position. Further, the Act also provides counselling as a sentencing option for an offence relating to contravention of an exclusion order.

##### *Relevant risks:*

If licensees and their staff are not suitably aware of the ways in which Gambling Help providers and local responsible gambling networks can assist with managing not only 'problem gamblers', but also at-risk gamblers and problem behaviours, there is a risk that gambling-related harm may be exacerbated at the premises.

##### *Potential mitigations:*

A proportion of licensees have established relationships with their local Gambling Help providers or gambling support services. These providers can assist not only problem and at-risk gamblers, but also help licensees with the implementation of effective harm minimisation strategies tailored to the premises.

It is acknowledged however this level of contact with Gambling Help providers may not always be possible, and in these circumstances it would be expected licensees undertake appropriate alternative measures such as active participation in local RG Net meetings.

#### **4.7 Service of liquor**

##### *Current legislative standard:*

*The Liquor Act 1992* is underpinned by various requirements relevant to the responsible service, supply and promotion of liquor. These requirements relate to matters such as maintaining a safe environment for patrons and staff and ensuring liquor is served, supplied and promoted in a way that is compatible with minimising harm to anyone.

Under the rules of gaming within the Gaming Regulation, patrons may reserve gaming machines for the purposes of creating a break in play, however, reservation time periods are limited to a maximum of three minutes.

##### *Relevant risks:*

Alcohol has a disinhibiting effect on gambling restraint and increases risk taking. Making alcohol less accessible may potentially reduce the proportion of people who gamble while their decisions are influenced by the disinhibiting effects of alcohol. Patrons who are under the influence of alcohol may engage in extended, intensive and repetitive play, which can significantly increase the risk of harm.

Another important reason for limiting service of alcohol in a gaming area is to encourage a quality break in play. There is research showing that, while a break in play is important in managing compulsive gambling, the quality of the break is also relevant in reducing the risk of harm. By limiting the service of liquor at gaming machines, it encourages patrons to stand up and interact with staff for the provision of services. In doing so, it presents an opportunity for venue staff to assess whether there are signs of problem or at-risk gambling.

*Potential mitigations:*

To ensure all patrons have a break in play and to reduce the incidence of intensive and repetitive play, licensees should look to implement measures which limit the service of refreshments, including liquor, in the gaming room. This could include, for example, prohibiting direct service to gaming machines after 10pm, noting that problem gamblers are more likely to play at the premises during later hours of trade.

This would not prevent the consumption of liquor and other refreshments in the gaming area after 10pm but will ensure patrons are required to leave the gaming machine for a period of time to interact with staff while making their order.

#### **4.8 Facial recognition**

*Current legislative standard:*

There are no legislative obligations or prescribed practices within the code of practice relevant to the implementation of facial recognition technology in licensed gaming venues.

However, licensees and their staff must take reasonable steps to prevent persons under a self-exclusion order or an exclusion direction from entering or remaining in the licensed premises or gaming machine area.

*Relevant risks:*

There is ample evidence that patrons subject to self-exclusion orders often breach the order and enter premises undetected. Without sufficiently robust monitoring systems in place, licensees risk breaching legislative requirements and, importantly, exacerbating gambling-related harm.

*Potential mitigations:*

One of the main issues with identifying excluded patrons is the difficulties associated with detecting excluded patrons in circumstances where there are a large number of patrons excluded from the venue, particularly in relation to patrons who may not be a 'regular' at the premises but have excluded themselves from multiple venues in their local area.

Facial recognition has been in use at some premises for some time now and it has shown to effectively assist licensees in the identification of patrons. Although a variety of risk factors will determine whether facial recognition is appropriate for a particular venue, it is recognised the operation of such a system is generally more appropriate for larger premises with a high number of gaming machines, given the difficulties associated with staff attempting to effectively monitor large patron numbers.

Facial Recognition Technology (FRT) should only be used for the purpose of aiding in the exclusion of patrons and should be consistent with the Australian Privacy Principles where applicable. It is not appropriate for the FRT system to collect data for the use of, or in connection with, encouraging or providing incentives to gamble, customer loyalty or rewards programs, a lottery, or identifying an excluded person other than in the venue to which the system is operating.

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