



Financial Counselling Victoria

Submission to the Royal Commission into the Casino Operator and Licence

Executive Summary

Financial Counselling Victoria (FCVic) welcomes the opportunity to make a submission to the Royal Commission into the Casino Operator and Licence.

As the peak body for financial counsellors in Victoria, FCVic has had considerable and long-term feedback from our members raising concerns about clients experiencing harm from Crown Casino – either directly as a gambler, or as a family member or other person affected by gambling.

As has been outlined in many other submissions to the Royal Commission, Crown's failures to take meaningful steps to reduce and minimise gambling harm have continued to cause significant harms to the Victorian community. The major failings financial counsellors identify in Crown's obligations to (and care for) its customers at risk of gambling harm include:

- Failure to effectively support patrons to establish and maintain self-exclusion arrangements
- Crown providing benefits, services or products to solicit increased customer gambling
- Crown ignoring evidence of customers experiencing gambling harm and inducing further losses.

About Financial Counselling Victoria

Financial counselling is a regulated profession providing free, confidential and independent advice and advocacy for people in, or at risk of, financial hardship. Financial Counselling Victoria (FCVic) is the peak, professional body for financial counsellors in Victoria, and a member organisation of Financial Counselling Australia. FCVic advocates on behalf of financial counsellors and their clients on systemic issues that cause and exacerbate poverty and hardship.

Introduction

In preparing this submission, FCVic surveyed Gamblers Help financial counsellors, and consulted extensively with the gambling specialist financial counsellors in our Gambling Issues Working Group. Due to limited time and resources for preparing it, this submission draws on the casework experience of our members, focusing on three specific areas of particular concern in relation to Crown's operations and gambling harm. We note many other submissions raise important issues of relevance to the Royal Commission. In particular, FCVic supports the submissions to this Royal Commission made by Victorian Responsible Gambling Foundation and Financial Counselling Australia.

Gambling modes

Financial counsellors report that clients they see who have been affected by gambling at Crown primarily use electronic gaming machines, although a number use table gambling. Online gambling users are a relatively small proportion of their clients.

Observed failures in harm minimisation by Crown

Overall, financial counsellors reported that the harms being experienced in relation to Crown have either remained the same or worsened moderately over the period from 2019-2021, taking account of the impacts of COVID-19 and lockdowns in Victoria.

The community and individual harms related to gambling go well beyond financial hardship or inducing crime. For example, financial counsellors have observed the close links between gambling and family violence, with one



feeding into the other in a range of different circumstances. There is an enormous amount at stake in reducing the harms from gambling, and it is essential that the licensing and regulatory regime around the casino work towards minimising these harms in a serious and robust fashion, and without apologies for any diminution in casino profits.

Following are the three key areas of concern identified by financial counsellors. Please note, italicised text denotes direct quotations from financial counsellors.

1. Failure to Support and Maintain Self-exclusion Arrangements

Self-exclusion at Crown Melbourne is undertaken at the Responsible Gaming Centre, which is located at the Crown Melbourne Complex. Financial counsellor clients have advised that requiring them to attend Crown in order to self-exclude creates barriers to doing so.

“Some clients find the process of face-to-face self-exclusion at the venue very daunting. A single whole of gambling self-exclusion point would be more conducive to some gamblers and their families who may be mandating the process.”

“Clients feel that to go to the venue is too hard and they end up gambling rather than attending self-exclusion services”

In addition, financial counsellors report having had clients self-exclude from electronic gambling machine (EGM) venues but refusing to self-exclude from Crown.

“This is quite common. Many clients will happily self-exclude from multiple venues often adding venues to a self-exclusion deed by phone and refused to consider Crown often stating they only go there for a meal with friends.”

“They don't want to go and do it at Crown. Want to engage in social activities at crown venue which often involves walking on to gaming floor”

“Need to attend for work meetings - restaurants/bars; need to attend for 21st /engagement functions etc”

Finally, financial counsellors have identified shortcomings with Crown's facial recognition software and processes:

“Crown does remove patrons from the main floor when the facial recognition program picks them up, however the multiple entry points enables SE [self-excluding] gamblers to re-enter through an alternate access point.”

2. Incentives to Gamble

Most of the financial counsellors providing input had client cases where Crown provided benefits, services or products to, in effect, solicit increased customer gambling. This included devices such as:

- Loyalty programs
- Giving free credits
- Meals
- Flights
- Holidays
- Limo pick ups



“The Crown benefits scheme is a major attraction for some clientele. Cheaper parking is a major draw card.”

3. Ignoring Gambling Harm

Most of the financial counsellors providing input had client cases where Crown had ignored evidence of its customers experiencing gambling harm and inducing further losses, as well as ignoring loan shark activity that would have been readily visible.

One financial counsellor has told us they are aware of customers who had spent over 24 consecutive hours on Crown’s gambling floor.

Financial counsellor clients report being approached by loan sharks in and around Crown, and that this loan shark activity is ignored by Crown. In addition, stores in the Crown Casino complex will allow cash withdrawal without a purchase.

“While Crown does not facilitate the lending that takes place on the main floor of the Casino it does acquiesce by turning a blind eye and not ensuring those undertaking the lending are removed from the precinct.”

Conclusion

The experiences of the many people in our community from gambling harms associated with Crown casino point to some fundamental problems with Crown’s business model. Whenever there is a clash between its duties to customer wellbeing and wider community wellbeing and its commercial interests, it seems that it is the commercial interests that win out.

In addition to a regulatory framework that imposes stronger penalties for non-compliance by Crown, FCVic believes it is essential to establish and enforce regulatory principles designed to shift Crown away from a culture which makes it a business objective to avoid meaningful gambling harm reduction measures.

In particular the following measures would signal a commitment to meaningful change and reduce gambling harm to their customers and the wider Victorian community:

- Set up an accessible and supportive off-site location for customers to establish self-exclusion arrangements
- Remove incentives and rewards programs
- Reduce operating hours
- Reduce EGM numbers
- Reduce numbers of tables
- Impose and enforce time limits on EGMs and table games