



## Minutes of Meeting

### Gambling Products Working Group

TRIM ID: CD/20/1126

Meeting details			
<b>Meeting title:</b>	Gambling Products Working Group	<b>Meeting #:</b>	4-2020
<b>Date:</b>	Wednesday 5 August 2020	<b>Time:</b>	10:30 am – 12:06 pm
<b>Location:</b>	By Skype		

Attendees	Title / organisation
Jason Cremona	Manager, Licence Management & Audit (VCGLR) (Chair)
Corrie Cavarra	Principal Evaluations Officer, LMA (VCGLR)
Steve Thurston	Licence Manager, LMA (VCGLR)
Tim O'Farrell	Manager, Regulatory Strategy & Research (VCGLR)
Craig Jenkins	Policy Officer, Legal Services (VCGLR)
Lindsay Shaw	Policy and Knowledge Officer (VRGF)
Tony Phillips	Head of Knowledge and Information (VRGF)
Brett Hetherington	Senior Industry Engagement Officer (VRGF)
Steven Lang	Manager, Gambling Policy (DJCS)
Claire Edwards	Principal Policy Officer, Liquor and Gambling Policy (DJCS)
Apologies	Title / organisation
Helen Miller	Principal Policy Officer, Liquor and Gambling Policy (DJCS)
Susan Graham	Principal Policy Officer, Liquor and Gambling Policy (DJCS)

Item	Subject
1.	<p><b>Opening</b></p> <p>JC opened the meeting at 10:30 am, and noted apologies from HM and SG. Minutes from last meeting of 11 June 2020 were accepted.</p> <p>It was noted that no formal action items were recorded at the last meeting</p>

Item	Subject
2.	<p><b>Updates from last meeting</b></p> <p><b><i>Proposed Vic Appendix Changes (RTP, LDW &amp; Results Display)</i></b></p> <ul style="list-style-type: none"> <li>• JC noted that the VCGLR brief on the Commission decision in relation to this matter has now been sent to the Minister.</li> <li>• SL requested a copy of the brief for DJCS.</li> </ul> <p><b>Action Item 1:</b> VCGLR (JC) to provide copy of Ministerial Brief on RTP and LDW to DJCS (SL).</p> <p><b><i>Responsible Gambling Assessment Tool (RGAT)</i></b></p> <p>TOF noted that the Commission has endorsed a table of RGAT principles for consultation. Next steps:</p> <ul style="list-style-type: none"> <li>• Consultation with DJCS and VRGF (table has been supplied)</li> <li>• Preliminary advice to Minister about external consultation</li> <li>• External consultation</li> <li>• Submission to Minister</li> </ul> <p>TP noted VRGF support for the principles and noted that the table had its genesis when a similar list was presented by Helen Miller and him to the RGMAC. TP noted industry resistance to some principles, and, as a result, VRGF is conducting a literature review on research that may give support to the principles.</p> <p>TOF/JC noted that the RGAT:</p> <ul style="list-style-type: none"> <li>• is far more detailed than the tabulated principles which are being distributed for consultation.</li> <li>• is already being applied to new product assessments at the VCGLR, and</li> <li>• does not need to be applied to most EGM games, as many games are not “new” (e.g. clones), but are redesigned existing games without new concepts</li> </ul>
3.	<p><b>Responsible Gaming</b></p> <p>TP outlined 3 new items of gambling research specifically in relation to gambling and COVID-19 lockdowns:</p> <ul style="list-style-type: none"> <li>• Australian Institute of Criminology has put out two updates SB 25 and SB 27 based on omnibus surveys. They examine betting patterns in April 2020 and differences in betting between March and April: <ul style="list-style-type: none"> <li>○ They show a decrease in participation between from 24% of the population in March to 20% in April.</li> <li>○ There were reported decreases in gambling (bets made) by those were participating of 60% in March and 46% in April.</li> <li>○ However, there were increases in spend: 20% of those betting online reported spending more in March and for April 33% reported betting more.</li> <li>○ Factors associated with spending more in April included being male, being aged under 40 years and living as a couple with children. The last factor did not show up in March.</li> </ul> </li> </ul>

3.

**Responsible Gaming Cont'd**

- Swedish study (NB: Swedish lockdowns are not as severe as in Australia):
  - Those high on the PGSI index were more likely to increase spending on gambling
  - This group had a high correlation with drug dependency, mental health issues, or alcohol
  - Most respondents reported gambling less
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- Canadian study:
  - Found only those with serious gambling issues increased gambling spend during lockdown
  - Generally notes an increase in intensity of harm for some, but not an increase in spread of harm during lockdown.

TP acknowledged the substitution of online for retail by gamblers during lockdown.

TP also noted that more studies like this are in the pipeline, and also mentioned an Australian study on “imitation pokies” (including social media type games):

- strong involvement between loot boxes and gambling
- take up by adolescents

**Action Item:** VRGF (TP) to provide summary of research on COVID-19 impacts on gambling

***June 2020 Gambling-Gaming Convergence Webinar: skill elements in gaming machines***

LS attended this webinar (one of a series), with presentations given by:

- Sally Gainsbury of University of NSW, and
- Chanel Larche, PhD student from University of Waterloo

Some highlights noted by LS:

- Where there is a mixture of random outcome and skill, players often don't perceive a difference in near misses, and can confuse lack of skill with a random “near miss”.
- Concept of “flow”: designers try to achieve a balance between skill of players and the skill-based challenge presented to achieve immersion in the game (noting that if the game is too hard players will give up and if it is too easy players will get bored.
- Presentation noted that, currently, no gambling is associated with the skill based elements.
- Need for cognitive skills during skill-based elements gives a “break in play”

LS summarised with 4 take-home points:

- Industry is still working out “what works”
- Skill based games make less money than other EGMs – “donkeys” or loss leaders
- Machines have to ultimately pay their own way, so random elements of the game need to be more profitable than on other EGMs
- Rules and regulations are challenged by there not being enough games in the market to study

The webinar is available on YouTube at:

Item	Subject
	<p data-bbox="264 387 879 421"><a href="https://www.youtube.com/watch?v=lb2v57kBpXw">https://www.youtube.com/watch?v=lb2v57kBpXw</a></p> <p data-bbox="264 465 1286 499">The webinar made reference to a study conducted on “Fortunes of the Brave”.</p> <p data-bbox="264 510 1425 611"><b>Action Item:</b> VRGF (LS) to check and advise whether recent research on the skill based game “Fortunes of the Brave” has been completed and made publicly available.</p> <p data-bbox="264 674 778 707">LS has since provided the following:</p> <p data-bbox="360 757 1329 824"><i>Here is the link to the Sally Gainsbury research on Fortunes of the Brave I mentioned today. It is not open access, so I will follow up on that:</i></p> <p data-bbox="360 857 1465 925"><a href="https://www.tandfonline.com/doi/abs/10.1080/14459795.2020.1789890?journalCode=rigs20">https://www.tandfonline.com/doi/abs/10.1080/14459795.2020.1789890?journalCode=rigs20</a></p> <p data-bbox="360 958 1329 992"><i>Some of the materials, including the Focus Group questions are available:</i></p> <p data-bbox="360 1025 627 1126"><a href="https://osf.io/ba5n2/">https://osf.io/ba5n2/</a> <a href="https://osf.io/7xznj/">https://osf.io/7xznj/</a> <a href="https://osf.io/3yj5h/">https://osf.io/3yj5h/</a></p>

Item	Subject
4.	<p><b>New Products/Innovations</b>  <b>Wireless Chargers</b></p> <p>JC outlined this proposal:</p> <ul style="list-style-type: none"> <li>• USB phone chargers are already supplied and approved on gaming machines since 2015</li> <li>• One manufacturer wishes to provide a wireless phone charger</li> <li>• Discussion has taken place between members of the NSWP, with differing views (NSW and SA do not want to approve it)</li> <li>• VCGLR view is that it is a technical development of the USB charger and would likely be technically certified, yet only be approved after consideration of policy and responsible gambling matters.</li> </ul> <p>Some discussion then took place about the reason for the USB chargers being approved, with CE querying the bases for the original approval. JC noted that there had been policy discussion on this within the VCGLR, but that, on balance, the proposal did not interfere with integrity of gaming and was a method to ensure that players who had been on gaming machines for a long time were at least contactable by family and friends.</p> <p>SL suggested the convenience factor of the wireless charger would make it more of an issue for problem gamblers and remove a potential break from play.</p> <p>It was also noted that gaming venues, the casino and other public places often provide machines with secure cabinets for charging phones. The issue of whether patrons in another part of a gaming venue would be directed to the gaming machine area if they wanted to use this equipment.</p> <p>BH noted that an upcoming meeting with the venue support workers might give him an opportunity to see if they had any views on the usage of patrons of the USB phone chargers, and the possible impact of the wireless chargers.</p> <p><b>Action Item:</b> VRGF (BH) to seek feedback from venue support workers and report back: Has there been take up of USB phone chargers on gaming machines by patrons and any possible impact?</p> <p>SL offered to provide a policy position from DJCS on the wireless phone chargers.  <b>Action Item:</b> DJCS (SL) to provide a policy position to the VCGLR (JC) on the use of wireless charges on or next to gaming machines.</p>

#### 4. **New Products/Innovations Cont'd**

##### ***Tabcorp Digital Only TAB Venues***

ST outlined a recent proposal presented to the VCGLR that had apparently been presented to "DOJ" (sic).

Tabcorp wishes to have a presence in venues that could not otherwise afford or have room for a full TAB outlet including operator terminal and self-service terminals. Tabcorp is intending to conduct a pilot in suitable Victorian venues where:

- Sky Channel sport and racing content is provided as it is in TAB venues
- Venue owner would receive commissions for bets placed in the venue on the TAB mobile phone app
- Venues would be trained in responsible gambling and also be provided with access to Tabcorp information and be able to assist customers with placing bets via the app.

The following points were raised in discussion:

- TP pointed out that, without the operator terminal, there is a loss of cash transactions for betting, and therefore a loss of a pain point.
- Would this proposal see current venues with operator terminals replaced by digital venues without operator terminals? The Tabcorp presentation did not seem to indicate that this is the intention.
- Are the digital venues considered TAB venues from a legislative and licence perspective? Apart from the Sky vision, could similar arrangements be entered into by pub owners with other corporate bookmakers? It was noted that Tabcorp is entering into contracts with digital venue owners and will be providing these to the VCGLR as it does with other TAB venues.
- What are the responsible gambling obligations and what are the opportunities to address problem gambling in these venues?

The VCGLR is continuing to assess this proposal (noting that it does not appear to require formal approval), and will seek legal advice about the potential legal status of the digital venues.

SL noted that, despite the Tabcorp claim that they had consulted with DJCS, he had not seen the proposal.

**Action Item:** VCGLR (ST) to provide DJCS a copy of the Tabcorp presentation on its "Digital (wagering) Venue" proposal.

##### ***Introduction of cashless payment for chips at Crown Perth***

JC noted that there had been no further updates on the introduction of cashless payments for chips at Crown Perth. JC offered to investigate developments and report back to the group.

Item	Subject
	<p><b>Action Item:</b> VCGLR (JC) to make enquiries with Crown and/or the WA regulator about the use of cashless payments for chips at Crown Perth and report back to this group.</p>
5.	<p><b>Regulatory Considerations/Concerns</b>  <b>COVID-19 Impacts on industry</b>            JC updated the meeting on general impacts of COVID-19:</p> <ul style="list-style-type: none"> <li>• Lotteries performing strongly (newsagents open and online sales available)</li> <li>• EGM turnover has fallen to zero as venues are closed</li> <li>• Keno has fallen to zero as venues are closed</li> <li>• Wagering turnover has fallen significantly</li> </ul> <p><b>Crown preparations</b>            JC informed the group that Crown conducted a tour for VCGLR staff recently to showcase the work it has carried out to prepare for re-opening. Notwithstanding that the Government has not made any commitments to re-opening restrictions, Crown has consulted with the Victorian Chief Medical Officer and as a result:</p> <ul style="list-style-type: none"> <li>• Entries to gaming area at Crown are all blocked off with one guarded entry</li> <li>• Patrons will register on the way and be temperature checked</li> <li>• Masks will be compulsory and hand sanitisation stations are everywhere</li> <li>• Gaming floor is split into 52 sections by 1.2 meter panels, to allow monitoring of numbers in and out of each section</li> <li>• QR codes will be used to track entry and exit of patrons in and out of the casino and each section</li> <li>• Table games to have a maximum of 3 seated players; no “back betting” from patrons standing behind players and no spectators allowed. Perspex screens are in place between players and to protect patrons and staff and each patron has access to a hand sanitiser.</li> <li>• No Perspex between gaming machines, but Crown is assuming every second machine will be unavailable for game play.</li> <li>• Crown has given consideration to opening first to VIP players only.</li> </ul>
6.	<p><b>Commission Standards (New/Existing)</b></p> <p><b>GMNS Review</b>            This has commenced with stage one which is a review of technical matters in the GMNS, which are less of an issue for the GPWG.            Stage two will be a review of the responsible gambling measures contained in standards, and these issues will be brought to the GPWG.</p>

Item	Subject
7.	<p><b>Other Business</b></p> <p>TP mentioned some good news and bad news out of the market research:</p> <ul style="list-style-type: none"> <li>• 45% of gamblers have decreased their gambling during lockdown</li> <li>• 62% of high PGSI gamblers have increased their gambling</li> <li>• Almost three times the number of calls for assistance to gamblers help since lockdown suggests that this has been a time for reflection by many.</li> </ul>
8.	<p><b>Next Meeting</b></p> <p>Wednesday 30 September 2020 at 10:30 am</p>

No.	Action to be taken	Assigned to	Due date	Status
1.	VCGLR (JC) to provide copy of Ministerial Brief on RTP and LDW to DJCS (SL).	JC	ASAP	Closed
2.	VRGF (TP) to provide summary of research on COVID-19 impacts on gambling	TP	ASAP	Open
3.	VRGF (LS) to check and advise whether recent research on the skill based game "Fortunes of the Brave" has been completed and made publicly available.	LS	ASAP	Closed
4.	VRGF (BH) to seek feedback from venue support workers and report back: Has there been take up of USB phone chargers on gaming machines by patrons and any possible impact?	BH	After VSW meeting	Open
5.	DJCS (SL) to provide a policy position to the VCGLR (JC) on the use of wireless charges on or next to gaming machines.	SL	ASAP	Open
6.	VCGLR (ST) to provide DJCS a copy of the Tabcorp presentation on its "Digital (wagering) Venue" proposal.	ST	ASAP	Closed
7.	VCGLR (JC) to make enquiries with Crown and/or the WA regulator about the use of cashless payments for chips at Crown Perth and report back to this group.	JC	Next meeting	Open