

## Submission to the Royal Commission into the Casino Operator and Licence

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### Disclosures

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The views expressed here are my own and do not reflect the views of my employer.

### Qualifications, experience and background

I hold a Doctor of Public Health (Monash University), Master of Social Science (RMIT), Bachelor of Arts (University of Melbourne). I have been undertaking gambling studies for the past decade. My interest in gambling stems from an interest in reducing inequities. Much of my work has involved exploring the policy and regulatory aspects of gambling in order to suggest ways to prevent harm. I have used data publicly provided by the VCGLR, conducted many interviews with people who have experienced harm from gambling, those who work with them in support services and conducted observations in Victorian EGM venues to inform my research and this submission. I am currently employed as a Senior Research Fellow at Federation University and hold an Adjunct position at Monash University. In 2018 I undertook a Churchill Fellowship to explore ways to improve public health in the context of gambling. I am a Commissioner on the newly established Lancet Public Health Commission on Gambling, and a member of the WHO expert group that meets on Gambling and Gambling Disorder.

## Summary

Thank you for the invitation to provide a submission to the Commission. This submission is based on key findings from my own research, that of the broader field, as well as observations I have undertaken in gambling venues in Victoria and internationally over the past 10 years. It makes the following recommendations and observations:

- Gambling products provided at the Melbourne Casino should be reconfigured to better protect people who gamble from harm, in particular modifications to EGMs (including electronic table games) are needed (Livingstone, 2017; Livingstone et al., 2019).
- A registration system should be provided universally to people who gamble at this venue to prevent unintended or excessive losses and time spent gambling, particularly but not only on EGMs (Nikkinen, 2019; Rintoul, 2019; Rintoul & Thomas, 2017). This centralised system should track time and money spent on gambling across the state, and ideally across Australia.
- The operator duty of care for people who gamble must be improved, through both enhancements to the measures described in the codes of conduct as well as better enforcement of these by the regulator. At a minimum they should expand to include the provision of electronic support to people who gamble through binding universal precommitment systems (Rintoul & Thomas, 2017), actively encouraging breaks in gambling, and issuing penalties for operators who discourage breaks i.e. by the provision of food and drinks to people who are gambling for an extended period of time (Rintoul, Deblaquiere, & Thomas, 2017).
- Loyalty programs linked to gambling expenditure and venues should be prohibited.
- Calls for gold standard evidence to be produced prior to the introduction of reforms that are likely to reduce harm should be dismissed in favour of common sense actions that can independently evaluated to assess the usefulness of reforms and associated interventions (Banks, 2011; Petticrew et al., 2017).
- Improving independent researcher access to gambling data, including more granular machine information (such as session length, bet size, game type, characteristics, features, and machine denomination).
- Better systems for licencing and review of harms related to gambling products and operators, this could borrow from systems established by the pharmaceutical industry and include reporting of adverse events.
- The code of ethics for gambling research should be enhanced to prevent contamination of science from established gambling interests (Livingstone & Adams, 2015).
- A national surveillance system for people who gamble, and/or counsellors to report adverse reactions and events from new and existing gambling products. This should include the product itself, and ways in which this may relate to the provision of gambling at particular venues, such as the casino.
- Responsible gambling is a damaging and inaccurate term and should be replaced (Livingstone & Rintoul, 2020) by language that better reflects the nature of the products that have been designed to create addiction (Schüll, 2012).

## Background

My research has supported findings elsewhere that gambling tends to exacerbate inequities, with those living in more disadvantaged areas be more highly exposed to gambling opportunities, and more likely to lose more on gambling (Rintoul, Livingstone, Mellor, & Jolley, 2013). It has also demonstrated that while venues are obliged to be responsible in their service of gambling, and provide a level of duty of care to their customers, responsible gambling codes of conduct are generally ineffective in their current form (Rintoul et al., 2017).

Over the course of my research I have met with many people who gamble who have described extended and intensive gambling practices at EGM venues across Victoria, including Crown Casino (Rintoul & Deblaquiere, 2019). Further, work I have led (Rintoul & Deblaquiere, 2019) and contributed

to (Hing et al., 2020) has found gambling harm can range from displacement of other discretionary spending and reduction in savings, to extremely severe, and includes family and intimate partner violence, income generating crime and suicide and suicidality (Livingstone & Rintoul, 2021). There is little evidence for many of the interventions that are said to be available in EGM venues (Livingstone, Rintoul, & Francis, 2014), yet there is much that could be done to prevent harm (Livingstone et al., 2019; Rintoul, 2019).

### Product design, licensing and regulatory capacity

The current regulation at the Casino in Melbourne appears to be inadequate for the purpose of protecting people who gamble from harm. Responsible gambling codes of conduct are a 'downstream' tool that are designed to respond to harms after they have already occurred. Not only are the ineffective in their current form (Rintoul et al., 2017) yet there is no evidence of efficacy should they be implemented as described (Livingstone et al., 2019; Livingstone et al., 2014). Furthermore, these measures are likely to require more resources to effectively enforce these codes.

Elements that would improve the safety of the provision of gambling include 'upstream' preventive measures that would have the added benefit of potentially preventing harm before it occurs and reducing the need for potentially confronting human interactions with people who gamble. These measures include:

- Deploying universal registration system to support people who gamble to limit time and money spent gambling (Rintoul & Thomas, 2017).
- Discontinuing casino loyalty programs and replacing these with the abovementioned registration system. Rewarding people who gamble to continue to spend is not consistent with efforts to control gambling losses (Williams, West, & Simpson, 2012).
- Removal of unrestricted EGMs at Crown Casino machines and introduction of measures that at least to align the casino with other club and hotel venues in Victoria<sup>1</sup> in relation to bet size, machine load up and ban 'autoplay' (Johnson & Livingstone, 2021).
- Prohibiting game features that may be considered either deceptive and/or misleading including such as losses disguised as wins and near misses (Barton et al., 2017; Dixon, Collins, Harrigan, Graydon, & Fugelsang, 2015; Dixon et al., 2014; Dixon, Harrigan, Sandhu, Collins, & Fugelsang, 2010; K. Harrigan, Dixon, & Brown, 2015; Leino et al., 2016) and game designs such as weighted and unbalanced reels (K. Harrigan, 2009).
- Prohibiting promotions such as free food, drinks, vouchers, bus trips at the casino
- Disallowing changes to table game rules that favour the house (Woolley, Livingstone, Harrigan, & Rintoul, 2013) (see paper note 1)

An extensive list of policy and regulatory recommendations to reduce harm from gambling can be reviewed in [this report](#) (Livingstone et al., 2019, pp. 109-132) Many of the 104 recommendations described would have applicability to the operation and regulation of the Melbourne casino.

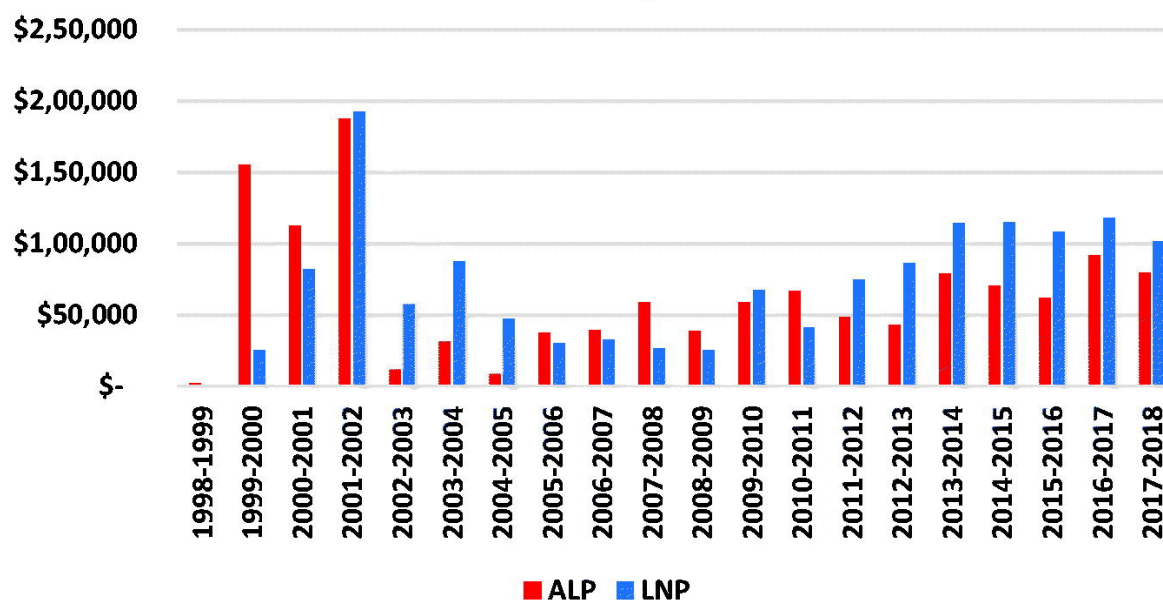
Unfortunately in previous interactions with VCGLR staff I have found that knowledge relating to the structural characteristics of machines was somewhat limited, including understanding of game features, maths (probability accounting report [PAR] sheets (K. Harrigan, MacLaren, Brown, Dixon, & Livingstone, 2014; K. A. Harrigan & Dixon, 2009) I was left with an impression that products may have been licensed without complete knowledge of their design. Furthermore, there is little done to monitor harms caused by particular products or features. I would recommend the development of an enhanced review and licensing process similar to that for pharmaceutical products, that incorporates a post-marketing surveillance of adverse events and harms relating to products. Given gambling is now listed in the ICD-11 and DSM-V under substance use disorders, and there is evidence the act of gambling can release dopamine in the brain (Yücel, Carter, Harrigan, van Holst, & Livingstone, 2018), responding to existing and emerging harms from gambling products in a similar way to which we

<sup>1</sup> Ideally the maximum bet size nationwide would also be reduced to \$1.

respond to pharmaceutical products and other 'lethal but legal' products (Freudenberg, 2014) is not unreasonable.

Furthermore, financial contributions by Crown Resorts to both political parties (Johnson & Livingstone, 2021), and 'good causes' may compromise the adoption of interventions that are likely to prevent harm (Marionneau, Nikkinen, & Egerer, 2018). Political donations from any stakeholder in the gambling industry should be banned. The granting of an exemption to Crown for any future harm minimisation measures is a very worrying indication of the influence of this venue and highlights the absence of effective best practice at this venue now, and in the future (Johnson & Livingstone, 2021).

### Crown Resorts political donations



Source: reproduced from Johnson and Livingstone, 2021 (Johnson & Livingstone, 2021)

### Predatory promotional practices and harms arising from EGM use at the casino

It is common for EGM venues to encourage attendance at their venues by customers not primarily interested in gambling. Participants I have interviewed describe how the casino commonly provides vouchers for bus trips of older age groups to attend the premises. They reported there was a requirement that these groups stay at the venue for several hours, encouraging them to use EGMs:

*Those groups were mainly aimed at Europeans, so, we'd try and hit the Greeks and Italians and Croatians and Spaniards and stuff... they generally have more social clubs whereas the Asian market was predominantly ones or twos, most singles or double gamers ... They'd pay for their own bus but we'd provide them with a meal voucher, a drink voucher and \$10 of gaming credit ... All bus groups, we were targeting pokie players ... **You do the bus drop off at five and then the buses weren't allowed to go [back] ... until nine 'cause that gave them time to have their free meal and drink ... [and] three hours to have a punt ... It's pretty well targeted.***

Reproduced from (Rintoul & Deblaquiere, 2019)

Another participant reported the extent of financial losses by some bus groups:

*... we found a lot of ethnic groups were ... getting on buses and going to casino and we actually – with the group's consent, surveyed some of their losses and **they were amazed with how much the group had lost. And we're talking about people mainly on Centrelink***

**payments ... And we had one group spend about \$3,000. This was a bus of 50 people. The other one spent about – another one spent about \$600 to \$700 ... And the condition was that they had to stay within the casino complex for at least three or four hours.**

Reproduced from (Rintoul & Deblaquiere, 2019)

These practices highlight the challenges of incidental exposure to gambling opportunities and the promotional strategies that may not be immediately obvious to those who participate in these activities.

Another participant described how she and her husband would gamble overnight at the casino after finishing shift work in the city, sometimes losing track of time:

*My husband is also working at [company] and he finish at six o'clock in the morning. We are dismissed about two or three o'clock in the morning. That gap, while waiting for him, I spent it all to casino ... Yeah because so close [to work]... Slowly, slowly, we don't go home [after work] no more. Sometimes it's already like this time, nine [am], and we still there ... Sometimes my kids I forgot, 'Oh I have to bring them to school' or something, we are still there. 'Where are you?' [the children would ask].*

Reproduced from (Rintoul & Deblaquiere, 2019)

## Access to data required for independent researchers

Independent researchers are limited in their capacity to undertake research that would meet the standards often argued by vested interests as necessary to introduce meaningful reforms. While the standard of evidence is often a delay tactic (Petticrew et al., 2017), there is much research that could be undertaken if relevant data were available. Data should be made available to independent researchers as a condition of licensing, this should include granular machine level data such as cash load up, session duration, bet size, game type, characteristics, features and machine denomination. It should be provided in an easily analysable format such as .csv file for the purposes of research.<sup>2</sup> Furthermore, access to the premises should be granted by the casino operator. I have previously had a visit to Crown Casino cancelled despite it being arranged by the regulator who were intending to accompany myself and other public servants to observe a new gambling product. Needless to say this visit was never rescheduled and it was clear that the operator was not interested in having researchers attend their premises.

Reforms to improve public health have been difficult to achieve due to the heavy financial and political influence that the gambling industry is able to deploy in Australia (Adams & Livingstone, 2015; Panichi, 2013). I hope that the work of this Royal Commission can reinvigorate public discussion about the appropriate regulation of this industry and ultimately assist with improvements to public health and safety.

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<sup>2</sup> I have been told that the casino previously provided an international researcher with reams of paper print outs of data, rendering the research impossible.



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