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Towards responsible provision of gaming in New South Wales registered clubs: an exploratory study of opinions, opportunities and obstacles from a club management perspective

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***Towards Responsible Provision of
Gaming in New South Wales Registered
Clubs***

***An Exploratory Study of Opinions,
Opportunities and Obstacles from a
Club Management Perspective***

A report prepared for the Club Managers' Association Australia

October 1997

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Gaming in New South Wales Registered Clubs***

***An Exploratory Study of Opinions, Opportunities and Obstacles from a Club
Management Perspective***

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On behalf of the Club Managers' Association Australia

EXECUTIVE SUMMARY

With the recent growth of legalised commercial gambling in Australia, responsible provision of gambling is increasingly becoming a policy issue for governments and a management concern for gambling operators. Registered clubs in New South Wales are the largest providers in Australia of machine gaming, just one of the types of gambling which research has shown contributes to gambling-related problems in the community.

In a climate of increasing public concern for the social impacts of gambling and as part of the club industry's community focus, the Club Managers' Association Australia has made a commitment to its members to examine the issue of responsible provision of gaming in New South Wales registered clubs. As a first step in meeting this commitment, this study has been initiated voluntarily by the Club Managers' Association Australia in light of increased awareness of the need for responsible gaming strategies. The study has endeavoured to gauge the opinions of a small sample of club managers about the positive and negative impacts of gambling and to explore their attitudes to adopting harm minimisation practices currently used by some gambling operators in other jurisdictions, in order to formulate the most effective strategies for New South Wales clubs. It should be noted, however, that this was an exploratory study only, designed to inform a larger survey of a representative sample of New South Wales club managers planned as a follow-up to this initial study.

More specifically, the objectives of this study were to:

- gauge the perceptions of club managers of the positive and negative impacts of gambling;
- explore the attitudes of club managers to adopting a range of responsible gaming strategies implemented in other Australian jurisdictions;
- identify, from the perspective of club managers, the main opportunities and barriers to adopting more responsible gaming strategies in New South Wales clubs;
- formulate initial recommendations for implementing formal responsible gaming strategies in New South Wales clubs.

In-depth interviews were conducted with nineteen New South Wales club managers, drawn from both large and small clubs in Sydney and country areas. The interview schedule was based largely on responsible gaming initiatives adopted in South Australia and Victoria, two Australian jurisdictions which currently have formal systems for responsible gaming in place.

The interview findings revealed that club managers are generally aware of the effects of problem gambling and recognise the seriousness of its impacts with regard to the individuals concerned and the community in general. Generally, they displayed a positive attitude towards more responsible provision of gaming in New South Wales clubs and a recognition that this would be in the best long-term interests of the industry and in line with its community role. The managers also acknowledged that the club industry could benefit from industry defined procedures that would enable it, and other gaming sectors, to effectively implement harm minimisation strategies. To be effective, the managers believe that there needs to be industry based strategies that apply consistently to all gambling sectors.

To address this issue, the interviewees consider that standard guidelines, a code of conduct, house policies, self-exclusion programmes, training programmes, and related support material to help minimise gambling-related problems would be reasonably well accepted in the club industry. However, acceptance could be improved with financial support from the state government, if a cooperative approach to responsible gambling amongst all gambling sectors can be developed, and if the club industry is given the opportunity to have substantial input into the development of harm minimisation strategies. However, major barriers to effective implementation of such strategies in the club industry were identified as lack of knowledge and awareness, apathy, resistance to change, lack of support from club directors, insufficient time and resources to implement practices, and a perceived threat to the clubs' main source of revenue, particularly amongst smaller, less professional and less profitable clubs, and in light of recent tax increases.

Nevertheless, it appears that there are opportunities to overcome many of these barriers. A follow-up to this study plans to seek opinions of a larger, representative sample of club managers and directors to clarify how the many possible elements of a responsible gaming strategy might best be implemented in the clubs. It is also recommended that baseline research be conducted into the extent of gambling problems amongst club patrons and that these, and other recent research findings on problem gambling, be disseminated amongst the club community to raise awareness of problem gambling and the role that poker machines might play. The possibilities of a consistent and cooperative approach to responsible provision of gambling across all New South Wales gambling industries should also be investigated, as should potential sources of funding from the club industry, the state government and other stakeholders. Substantial input from the club industry would then be needed to develop draft guidelines, a code of conduct, support materials, a training programme, and a patron education programme in responsible gaming, whilst also drawing on the most effective harm minimisation practices used in other jurisdictions.

Once these initial steps have been pursued and an appropriate set of strategies developed, maximising the adoption of such strategies would require an education campaign for club managers and directors to increase awareness of problem gambling, to emphasise the need for a proactive response, and to allay fears that responsible gaming strategies would lead to loss of income. It would also be important that extensive assistance be given to individual clubs through the development and dissemination of standardised policies, procedures and support materials, and through adequate training.

It is apparent from this research that there is a positive general attitude amongst the club managers towards shouldering more responsibility for gambling-related problems in the community and an acknowledgement that the club industry is insufficiently active in this area at present. The club managers appear to recognise that gambling problems are increasingly becoming a social concern and that public pressure for harm minimisation may well increase. Philosophically, there was little objection amongst the interviewees to a more proactive approach to address the issue, but there was less enthusiasm about providing funding for related counselling and research. Without a regulatory approach, it seems unlikely that widespread support would be gained for such funding unless the state government also made a major contribution. It is also apparent that guidelines on recognising problematic gambling behaviour would be useful in helping clubs to address this issue, while the clubs' legal parameters in responsible gaming and the possibilities of a consistent approach across all gambling industries needs to be clarified if significant progress is to be made.

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SECTION ONE

INTRODUCTION TO THE STUDY

1.1 Background to the Study

It is estimated that over 90 percent of Australian adults participate in some form of gambling (Kelly, 1997:4). Furthermore, gaming machines account for nearly half the country's total gambling revenues (Tasmanian Gaming Commission, 1997). New South Wales (NSW) houses well over half of all gaming machines in Australia (Australian Bureau of Statistics, 1996) and, with a total of 76,474 gaming machines operating during the 1995-96 fiscal year (NSW Department of Gaming and Racing, 1997), it has the highest number of gaming machines per head of adult population of any jurisdiction in the world (Kelly, 1996a:7). Gaming machines in NSW are highly concentrated in registered clubs which operate about 84 percent of gaming machines in the state and attract some 90 percent of its gaming machine turnover and gross profit outside the Sydney Harbour Casino (NSW Department of Gaming and Racing, 1997).

Gaming machines were first legalised in Australia in 1956 when NSW registered clubs were granted exclusive rights to their operation. The clubs retained their national monopoly on gaming machines until 1976 when they were legalised in licensed clubs in the Australian Capital Territory (ACT). They retained their state monopoly on the most profitable types of gaming machines, known in NSW as poker machines, until the opening of the Sydney Harbour Casino in late 1995 and the introduction of poker machines in NSW hotels in April 1997. This extended period of club dominance over machine gaming has witnessed phenomenal growth in both the number of machines and clubs licensed to operate them. Indeed, some forty years after 5,596 gaming machines were initially legalised in 952 NSW registered clubs (NSW Department of Gaming and Racing, 1996a:23), 64,171 machines in 1,441 clubs currently generate an annual turnover of \$21 billion, contribute about \$450 million per year in state taxes and provide club profits of around \$2 billion (Kelly, 1997:9).

This continued expansion of machine gaming in NSW has not occurred in isolation, and is part of a trend in most industrialised western countries towards increased legalised gambling. McMillen notes that, while gambling is one of the few social activities which has occurred in nearly all cultures and in every period of time (1996b:6), it is only since the 1960s that it has been legalised and commercialised 'on a grand scale' (1996a:1). In Australia, real total gambling expenditure (adjusted for inflation) has increased more than threefold since 1972, and has doubled as a percentage of household disposable income from 1.6 percent to 3.1 percent during the same period (Tasmanian Gaming Commission, 1997:133; 182; Kelly, 1997:6). This has been largely in response to more prolific and accessible forms of legalised gambling which now include fourteen casinos, gaming machines in every jurisdiction, a burgeoning of lottery products, a variety of minor gaming, and on and off-course betting on numerous sporting events (Kelly, 1996b). In NSW, 3.4 percent of household disposable income was spent on gambling in 1995-96, representing a per capita expenditure of \$817 (Tasmanian Gaming Commission, 1997).

The regulation of gambling in Australia is a responsibility of state governments and their role has been paramount in the expansion of gambling. Since the nineteenth century, Australia has had remarkably liberal gambling laws and opportunities for legalised gambling (Caldwell, Young, Dickerson and McMillen, 1988:17). In recent times, such opportunities have been

increasingly seized by Australian governments and commercial operators alike. Since the 1970s, changes in social attitudes and economic pressures have made gambling more attractive to cash-strapped state governments in facilitating economic growth, and to private investors looking for new market opportunities. Governments have formed partnerships with local gaming operators to promote gambling and stimulate growth and there is aggressive competition for market share both between and within the various jurisdictions (McMillen, 1996c:5). McMillen (1996c) points out that at the policy level, gambling in Australia has been driven increasingly by economic and commercial criteria rather than by social considerations. Similarly, at the level of gambling operators, increased competition has stimulated more aggressive marketing of gambling products and the unprecedented expansion of gambling facilities.

However, as increased opportunities for legalised commercial gambling have arisen, governments have had to weigh a variety of related economic, moral and social considerations in deciding whether, and under what conditions, to legalise various forms of gambling (Eadington, 1996:244). Similarly, gambling operators, such as registered clubs, are faced with decisions about balancing the economic benefits of machine gaming against its social repercussions. Such decisions are complicated by the fact that, while the economic impacts of legalised gambling are readily quantifiable, tangible and generally perceived as positive, the moral issues and social impacts relating to gambling are usually difficult to measure, intangible and on balance considered negative (Eadington, 1996:244).

One of the negative social impacts of gambling which is currently attracting increased attention is problem gambling. Problem gambling can be defined as gambling which is frequent, is at times uncontrolled and has resulted in some harmful effects (Australian Institute for Gambling Research, 1995:111), such as personal, interpersonal, financial, legal or work-related problems (Dickerson, 1993). The Australian Institute for Gambling Research (1996) has estimated that about 1.1 percent of the NSW population are problem gamblers. Furthermore, it is widely recognised that machine gaming contributes disproportionately to this figure. Thus, while gaming machines enjoy wide popularity, their presence is accompanied by a proportion of players who experience gambling-related problems. For example, Fisher and Griffiths (1995:239) point out that gaming machines are now the predominant form of gambling activity by pathological gamblers treated in professional treatment centres and self-help groups in numerous countries, while recent research in NSW suggests that about 15 percent of regular gaming machine players may have significant personal, financial and family problems arising from their gambling (Dickerson, 1996:163). A survey of treatment services for problem gamblers in Sydney also revealed wide acceptance that machine gambling is responsible for loss of control amongst many problem gamblers who present for treatment (Keys Young, 1995). Similar conclusions have been reached by studies in other Australian states. For example, a recent community survey in South Australia found that most gambling problems were associated with regular poker machine gambling (Delfabbro and Winefield, 1996:xiv). While many of the social impacts of problem gambling are not readily quantified, the Australian Institute for Gambling Research (1996:12) has estimated the measurable economic and social costs of problem gambling to the NSW community at \$48.1 million per annum, when employment impacts, legal costs, financial costs, personal costs and service provision by the welfare and counselling sectors are taken into account.

Despite the inherent difficulties in evaluating and addressing the non-economic issues associated with gambling, there is growing recognition that policy-makers and gambling industries cannot ignore the social side of the gambling equation. In NSW for example, the Minister for Gaming and Racing released a policy statement on social responsibility for gambling in 1995; the NSW Community Benefit Fund has been established by the state

government to allocate 2 percent of Sydney Harbour Casino's gambling revenue to projects which address the social and economic impacts of gambling (*Casino Control Act 1992 NSW*); and Sydney Harbour Casino has voluntarily launched a responsible practice of gaming policy (Booth, 1996). In other jurisdictions, such as South Australia and Victoria, various initiatives in responsible machine gaming, such as education programmes, harm minimisation strategies, the provision of direct services, and charitable and other contributions, have also been implemented. These developments appear to foreshadow increased future attention to more socially responsible gambling, although few developments have occurred in the NSW gaming industry. With most NSW clubs relying on machine gaming for the majority of their revenue and profit, it would seem in their enlightened self-interest to ensure that machine gaming is socially, as well as economically, sustainable. As McMillen (1996c:13) explains, the social character of gambling in Australia has largely been overlooked in favour of an economic perspective, yet 'to secure its long-term profitability, commercial gambling must be compatible with social values and institutions'.

A number of factors can be identified which may increasingly fuel the emergence of social responsibility in gambling both as a policy issue for governments and as a management issue for gambling operators such as clubs. Firstly, the growing diversity of legalised commercial gambling in Australia has increased its visibility, accessibility and subsequent social impacts. Certainly, the media, welfare groups and other social commentators have been increasingly vocal in criticising the accelerated growth of gambling industries. Secondly, a growing number of Australian studies have revealed the extent and impacts of gambling-related problems in the community (for example, Dickerson and Baron, 1993; Dickerson, Walker and Baron, 1994; Australian Institute for Gambling Research, 1995, Australian Institute for Gambling Research, 1996). And thirdly, socially responsible initiatives which have been recently introduced by some gambling policy-makers and operators have fostered increased criticism of those ignoring the social impacts of gambling.

Additional factors can also be identified which may apply increased pressure on NSW gambling industries, such as the registered clubs industry, to adopt more responsible gaming strategies. The registered clubs industry has dominated machine gaming in NSW for forty years and had previously been the main vehicle for its unlimited expansion to an extent unparalleled in any other country on a per capita basis. However, there is growing recognition that machine gaming is responsible for loss of control amongst many problem gamblers, causing financial, personal, interpersonal, employment and legal problems, with subsequent social and economic costs borne by problem gamblers, significant others, victims of related criminal activity, employers, health and welfare services and government (Dickerson, 1996; Keys Young, 1995). Additionally, increased competition for NSW club gaming has fuelled the active promotion and expansion of machine gaming in the club industry.

In recognition of increased concern for gambling-related problems in the community, this study was initiated voluntarily by the Club Managers' Association Australia. It reflects growing awareness in the club industry of the need to minimise gambling-related problems and that, to be effective, a consolidated approach to responsible gaming is required that is industry-driven rather than legislative.

1.2 Objectives of the Study

Given the recognition of the need for a consolidated effort in line with the NSW club industry's role in the community, this study was initiated to explore the perceptions, attitudes and opinions of a small number of club managers relating to the issue of responsible gaming. It should be noted that this was an exploratory study only, aimed at illuminating the range of opportunities and concerns which club management may have with implementing responsible gaming strategies. Its results will inform a larger survey of a representative sample of NSW club managers planned as a follow-up to this initial study.

The specific objectives of this study were to:

1. gauge the perceptions of club managers of the positive and negative impacts of gambling;
2. explore the attitudes of club managers to adopting a range of responsible gaming strategies implemented in other Australian jurisdictions;
3. identify, from the perspective of club managers, the main opportunities and barriers to adopting more responsible gaming strategies in New South Wales clubs;
4. formulate initial recommendations for implementing formal responsible gaming strategies in New South Wales clubs.

1.3 Research Design

A two-stage research design was used to address the study's four objectives.

The first stage involved reviewing the initiatives in responsible gaming currently implemented by licensed clubs sectors which operate gaming machines in other Australian jurisdictions. The most proactive states in responsible gaming have been South Australia and Victoria. Their strategies, to be reviewed comprehensively in Section Two of this report, were then used as guidelines to design the relevant part of the interview format used with the selected NSW club managers.

The second stage of the research consisted of a series of interviews with managers from a small sample of NSW clubs. In total, managers from eleven Sydney clubs and eight regional clubs were interviewed, capturing input from clubs of a range of types, sizes and locations. It was felt that this sample was sufficient to reveal the major issues relevant to the topic under study. Fifteen of these interviews were conducted in person and taped for later analysis, with each interview lasting about one and a half hours. A further four clubs opted to provide their responses in writing. The participating clubs and their managers were assured that their identities would not be revealed so as to encourage honest responses to what can clearly be considered a sensitive issue.

Table 1 shows the location, types, membership size, number of poker machines and percentage of club revenue generated by poker machines for the nineteen participating clubs. Amongst these clubs, membership ranged from 49,000 to 1,400, the number of poker machines ranged from 461 to 31, while the percentage of club revenue attained from poker

machine operations varied between 95 percent and 50 percent. Table 2 shows the key areas addressed in the interview schedule used, which is shown in full in Appendix A.

Table 1
Main Characteristics of the Study Sample

Club	Location	Type	No. of Members	No. of Poker Machines	% Revenue from Poker Machines
1	Sydney	Leagues	49,000	318	84%
2	Sydney	Community	35,593	396	92%
3	Sydney	Catholic	32,000	286	60%
4	Sydney	Sports	29,600	400	63%
5	Sydney	RSL	27,000	461	90%
6	Sydney	RSL	22,000	170	59%
7	Regional	RSL	15,500	181	65%
8	Sydney	Leagues	15,100	237	85%
9	Regional	RSL	15,000	220	60%
10	Regional	Workers	13,500	150	89%
11	Sydney	Leagues	9,500	123	60%
12	Regional	Bowls	9,000	212	60%
13	Sydney	RSL	7,224	125	74%
14	Sydney	RSL	6,500	166	65%
15	Sydney	RSL	6,000	145	95%
16	Regional	RSL	5,400	82	50%
17	Regional	Bowls	2,000	104	80%
18	Regional	Bowls	1,800	63	63%
19	Regional	RSL	1,400	31	50%

Table 2
Key Areas in the Interview Schedule

Perceived impacts of gambling	Positive impacts Negative impacts
Responsibility for gambling-related problems	Responsibility for harm minimisation Responsibility for funding counselling services Responsibility for funding research Responsibility of NSW clubs
Industry initiatives in responsible gaming	Guidelines for gambling venues Code of practice Training for gaming management and staff Cooperation amongst gambling operators
Venue initiatives in responsible gaming	House policy Recognising problem gambling behaviour Barring programmes Cooling off period after big wins Tipping of staff Employee gaming Credit betting Cheque cashing policies EFTPOS and ATM provision
Information for gaming machine players	Signage Information on machine characteristics Information on problem gambling behaviour Information on counselling and welfare service providers Information on payout disputes Information for non-English speaking patrons
Advertising of poker machine gaming	Current types Appropriateness Restrictions
Liaison with counselling and welfare services	Developing closer links Referrals Funding Non-financial support
Legal obligations in poker machine gaming	Main legal obligations Adherence to legal obligations
Adopting responsible gaming strategies in clubs	Opportunities Barriers
Club information	Type of clubs Number of members Number of poker machines Poker machine revenue

1.4 Structure of the Report

The remainder of this report is divided into seven major sections.

In order to set the study into perspective, Section Two reviews some key literature on the nature of machine gaming, its potential for problem gambling, and the concept of social responsibility in gambling. It also summarises the main provisions of responsible gaming packages implemented in other jurisdictions, predominantly South Australia and Victoria.

Section Three addresses the first objective of the study by presenting and discussing the interviewees' perceptions of the positive and negative impacts of gambling.

The second research objective is addressed in Sections Four and Five, where the attitudes of the club managers to adopting responsible gaming strategies are explored.

The main opportunities and barriers identified by the interviewees to adopting responsible gaming strategies in NSW clubs are presented in Section Six, thus addressing the third research objective.

The main findings from the interviews are summarised in Section Seven.

Section Eight addresses the fourth research objective by formulating a set of initial recommendations for implementing more responsible gaming strategies in NSW clubs.

SECTION TWO

THE NATURE AND IMPACTS OF MACHINE GAMING

In order to provide an appropriate background to the primary research undertaken for this study, this section draws on secondary research into certain aspects of poker machine playing and its socio-economic impacts. While poker machine gaming undoubtedly has a range of benefits for individuals, industry, the community and governments, the prevalence and impacts of problem gambling amongst poker machine players are receiving increased attention for reasons outlined in Section One of this report. Thus, this section reviews some relevant research into problem gambling and documents some initiatives taken by gambling sectors in other Australian jurisdictions to minimise gambling-related problems.

2.1 Reasons for Playing Gaming Machines

Numerous explanations for gambling have been proposed from such diverse perspectives as psychology, sociology, history and public policy. It is not the intention to review this vast body of literature here, but rather to focus on some explanations for playing poker machines. Thus, this section will examine motivations for playing, reasons for persistence by some players in the face of significant financial losses, and certain factors which encourage play, including the structural characteristics of poker machine games, the environments in which they are played and associated marketing strategies.

2.1.1 Motivations for Playing Poker Machines

One of the earliest researchers into various aspects of registered clubs was Caldwell (1972), who surveyed members of one large leagues club regarding their poker machine playing. About half the respondents who had played poker machines gave their main reason for playing as 'amusement' (49.6%), followed by 'winning money, not necessarily jackpots' (35.7%) and then 'winning jackpots' (14.7%). Similarly, in a survey of 398 poker machine players at a large social club in the Australian Capital Territory, Dickerson, Fabre and Bayliss (1985) found that most players viewed their machine gambling as 'entertainment' (60.8%) or as being 'sociable' (60.8%), although 'to win money' was an important reason for some (37.6%). Less important reasons were 'to make a big win' (13.2%), for 'something to do' (9.5%) and 'to forget troubles' (9.5%) (multiple responses allowed). In a more recent survey conducted in Victoria (Victorian Casino and Gaming Authority, 1997), the most common reasons given for playing gaming machines were for social reasons (56%), for the dream of winning (34%), to alleviate boredom and pass the time (20%), and for the atmosphere or 'buzz' (14%).

The notion of playing poker machines for escape has been noted by Lynch (1985; 1990) who, in a qualitative study of 21 regular poker machine players at a Sydney RSL club, concluded that 'the commonly reported motives of relaxation, a temporary 'switch-off' and escape suggest that poker machine playing is a response to their reportedly difficult day-to-day experiences' (1990:204). Daley (1987) has suggested a somewhat different motive, explaining that poker machine players are 'buying time' and that the purpose of this time might be

leisure, social involvement, escapism or relaxation. Dickerson (1996) has further analysed reasons for poker machine play amongst low/medium frequency, high frequency and problem players, with the former category playing mainly 'for entertainment' and 'to be sociable', and the latter two categories playing 'to forget troubles' and 'to win a major pay-out' (1996:159).

From this limited number of empirical studies, it appears that there are a variety of motives for playing poker machines. These vary from the intrinsic leisure and entertainment value of the play itself, to the external rewards of social interaction and winning money, to its value as a diversion from a routine, boring or difficult day-to-day life. However, it is also apparent that these motives may vary between players with different levels of involvement in poker machines. The following discussion investigates the factors which have been proposed as influencing the degree of involvement in poker machine gambling.

2.1.2 Reasons for Persistent Poker Machine Playing

The more often people play poker machines, the more likely they are to report aspects of losing control, such as spending more time and money than they had planned, or more money than they can afford (Dickerson, Fabre and Bayliss, 1985; Corless and Dickerson, 1989). However, because there is not an inevitable progress from lower to higher levels of involvement (Dickerson, 1996:161), researchers have searched for reasons to explain why some players lose control of their machine gambling. These explanations can be loosely categorised into cognitive and behavioural reasons.

Cognitive explanations of heavy gambling assume that such gamblers hold a set of invalid or irrational beliefs which are maintained in gaming machine play by biased interpretation of the evidence (Walker, 1992:72). Thus, even though an objective view of playing poker machines would lead players to expect to lose in the longer term, heavy gamblers may believe that they, through logic or special insight, can make money. They discount their losses as caused by factors beyond their control, but explain their wins in terms of their special system or knowledge (Walker, 1992:72). Walker (1992:73) cites players' testing of machines with a few coins to avoid those which are 'cold' or 'hungry' to find one which is 'paying', that players talk to machines to encourage them to pay, and that people have favourite machines which they zealously guard from other players, as evidence of irrational thinking amongst some gaming machine players. Indeed, Ladoucer and Gaboury (Gaboury and Ladoucer, 1988; Ladoucer and Gaboury, 1988) found that 70 percent of the verbalisations of ten poker machine players who were required to say aloud what they were thinking while playing the machines were irrational. This finding was later replicated by Walker (1989; 1990), who also found that higher levels of irrational thinking were exhibited by those players for whom poker machines were their preferred type of gambling (in Walker, 1992:74). Walker (1992:74) explains that irrational thinking amongst gaming machine players can relate to the gambler's fallacy (a loss one time means a win is more likely the next time), to personification of the machine, and to illusions of player control. Dickerson (1996:162) also notes that a win on a machine after a player has decided to persist despite significant financial losses, or a win which coincides with the player's belief that the machine is about to pay out, may strengthen such irrational thinking.

Behavioural aspects of poker machine play have been investigated in a number of studies by Dickerson, a major one of which involved 64 high, medium and low frequency players (1991). He concluded that impaired control of poker machine play is affected mainly by 1) learning such that frequent players build up 'stereotypic' rates of play which are responsive in different ways to big and small wins, with small wins increasing this rate amongst all three

groups of players but with this increased rate maintained for longer amongst the high frequency group; and 2) by negative moods, such as depression and frustration, where low frequency players were less likely than higher frequency players to play poker machines if they were feeling disappointed or frustrated. Importantly, the more frequent players persisted for longer sessions of play and played at a faster rate (Dickerson, 1996).

2.1.3 The Nature of Poker Machine Games

While the preceding discussion has focused on what might be considered some internal determinants of poker machine play, that is, those factors relating to the degree of involvement by individual players, a range of external factors also help to explain the popularity of poker machines and their potential for loss of control by some players. These include the nature of the game itself, the environment in which machines are played and the marketing and expansion strategies used by many venues in their machine gaming operations. These factors will be discussed in turn.

One of the distinguishing features of poker machines is that they offer games of pure chance. Caldwell has described poker machine play as the 'epitome of non-skill gambling' (1974:16), 'a purely mechanical task' (1985:263), where 'the banker, the Cabinet Minister, the housewife, and labourer are all equals...for skill and experience count for nothing' (1974:69). Furthermore, he suggested that the high value Australians place on equality and fatalism partly explains 'why Australians have a predilection for gambling and why the form of gambling is marked by a heavy reliance on chance and so little on skill' (1974:20). Orford notes the prejudice against games of chance in favour of games of skill 'not infrequently betrayed by those who write on the subject of immoderate gambling' (1985:30). One of the reasons for such prejudice may be that the non-skill nature of gaming machines readily attracts new players due to 'the initial perception that the likelihood of winning on the randomly generated outcomes of the machine permits the novice to start on an equal footing with the experienced player' (Dickerson, 1996:158).

Certain structural characteristics particular to gaming machines have also been proposed for inducing both initial and continued play. For example, while acknowledging that certain biological, psychological and situational variables are also influential, Fisher and Griffiths (1995:241) identify 'frequent pay out and event intervals, arousing near miss and symbol proportions, multiplier potential, bettor involvement and skill, exciting light and sound effects, and significant naming' as having an important role in influencing a player's decision to play and continue playing gaming machines. To this list Fabian (1995:253) adds the rapid gambling sequence and short pay out intervals, the wide variety of stakes and chances of winning, the attractive relation between the probability of winning and the amount of winnings, the number of small winnings, the active involvement of the gambler in the course of the game, and the low stakes involved.

A number of writers have commented on the structural characteristics of machine gaming which enhance operant conditioning of players (for example, Bolen and Boyd, 1968; Stotter, 1980; Walker, 1992; Dickerson, 1996). Probably the most thoughtful account of this is given by Stotter (1980), who contends that 'never before' have the principles of behaviour modification 'been brought together and applied so expertly as in the Poker Machine' (1983:161). Stotter (1980:162-163) explains that the act of placing money in the machine is firstly reinforced by an intermittent reinforcement schedule in the form of irregular payouts, which is a powerful method of conditioning, far stronger than fixed interval conditioning. Secondly, the intermittent reinforcement schedule is further enhanced by varying the strength of the reinforcer in the form of prizes of varying amounts, with the possibility of large rewards, or jackpots, helping to maintain play over a longer time period, making the behaviour more resistant to extinction. Thirdly, the player is never submitted to a feeling of immediate failure, as it is the combination of numbers or symbols which determine a win, rather than their actual occurrence. As all numbers and symbols have the potential to contribute to a winning sequence, the sense of loss is minimised, with the player subjected instead to a 'near miss'. Fourthly, accompanying lights, musical tones and immediate cash

drops into a noise-enhancing metal tray maximise the rewarding qualities of a win. Finally, the winner receives substantial social reinforcement from other players whose attention is gained by the noise and lights, with the winner becoming the 'centre of attraction' (1980:163) for a short period of time. Indeed, while acknowledging the entertainment value of gaming machines, Stotter (1980:164) contends that 'there appear to be important ethical questions to be answered as to where the entertainment component ends and the straight out conditioning of human behaviour for monetary gains begins.' Furthermore, with player persistence being the major aim of gaming machine manufacturers in the development of new games and characteristics (Daley, 1986), Dickerson (1996:163) is rightly concerned that such developments increase player persistence and thereby increase gambling-related problems amongst machine players.

2.1.4 Environmental Incentives in Machine Gaming

In addition to the structural features of gaming machines, certain environmental factors which enhance the attraction of gaming machines have been noted. Firstly, gaming machines are widely accessible to the potential population of users, with this access facilitated through the machine's compact and transportable design and its simplicity of use (Tasmanian Council of Social Services, 1992:26). Furthermore, people are exposed to the machines in an environment where many seek recreational opportunities (Committee for the Inquiry into the Impacts of Gaming Machines in Hotels and Clubs in South Australia, 1995:38) and the affordable food and drinks provided by clubs and expected by their members make registered clubs attractive recreational venues. Hing (1996) has noted the attention given to continual improvement of the physical facilities in gaming areas, while Caldwell (1972:171-174) has commented on the casino-type atmosphere, particularly in large and crowded club gaming rooms, where the noise and lights contribute to the excitement. Dickerson (1996:157) comments that 'although the timeless divorce from reality achieved in contemporary theme casinos in Las Vegas may not be achieved', club gaming machines are typically in large, purpose built rooms increasingly advertised as 'casino' areas, which often have no exterior windows and are open for long hours. However, these environmental characteristics are not confined solely to registered clubs but also characterise gaming rooms in casinos and, more recently, hotels.

Thus, the structural characteristics of poker machines and the environments in which they are played help to explain their attraction and popularity. In terms of diffusion theory which has been used to explain the pace at which individuals adopt new forms of gambling and the rate at which gambling diffuses throughout a society (Cook and Yale, 1994), the widespread participation in poker machine gaming has been enhanced by the ease with which the machines can be observed, tried, used and accessed, as well as their compatibility with other traditional leisure activities found in registered clubs.

2.1.5 Marketing and Expansion Strategies in Machine Gaming

As part of the professional management techniques of all gaming sectors, many poker machine venues and suppliers have increasingly adopted competitive marketing and expansion strategies in order to achieve what Kelly (1996a:44) describes as their shared objective of 'maximization of turnover and net profit'. These strategies have included increasing the size of poker machine installations, ongoing replacement programmes to keep machines up to date, diversifying game types and player options, raising maximum bet limits

and prize money, increasing player percentage returns from the machines, undertaking extensive poker machine promotions, and improving the physical facilities and range of services available where the machines are played.

The accessibility of poker machine gaming and its longevity in NSW has nurtured a relatively mature, demanding and discerning market amongst predominantly local, regular players (Kelly, 1996c:58). Kelly (1996c:58) contends that Australian gaming machine manufacturers lead the way in machine technology, each often developing ten to twelve new games per month to ensure players are 'stimulated by new and innovative options'. Thus, with the 'productive life' of a machine in Australia estimated at between three and five years (Kelly, 1996c:58), most gaming machine venues undertake extensive and ongoing machine replacement programmes to ensure their machines remain up to date. The Registered Clubs Association of NSW (RCA) (1994:55) recommends that a minimum replacement of 25 percent of a club's gaming machines per year is required to meet the technological advances and game enhancements continually being introduced to the marketplace.

Daley (1986) contends that player persistence is the major aim of gaming machine manufacturers in developing new games and game characteristics, with many new features designed to increase both the rate of play and the average bet. For example, Verrender (1996:39) explains that there are currently up to 30 game variations available in NSW club poker machines, with features such as multi-line and multi-coin betting, tokenisation, note acceptors, touch screen operation, linked machines, multi-game machines, cashless betting, animation and interactive games (Kelly, 1996a; 1996c). Such technological developments continue to drive machine replacement programmes in all gaming venues.

In the last fifteen years, lobbying from both the NSW club industry and gaming machine manufacturers has been instrumental in raising the maximum bet and prize money on poker machines. For example, in 1982, manufacturers submitted successful requests to licence both multi-coin and multiplier machines which offered jackpots of up to \$5,000 (NSW Department of Gaming and Racing, 1996b:v). In 1986, the maximum jackpot for stand-alone machines was raised to \$10,000, while in 1988 \$1 and \$2 machines were introduced and the maximum bet raised to \$10 per play, regardless of denomination (NSW Department of Gaming and Racing, 1996a:5). In-house link progressive jackpot systems with jackpots up to \$100,000 were introduced in 1988, while the most recent legislative change (*Liquor and Registered Clubs Legislation Further Amendment Act 1996 NSW*) has legalised statewide links and their associated larger jackpots.

Increasing player percentage returns above the percentage required by law is a further way to increase the appeal of gaming machines. Lynch (1985:61-62) found that a common complaint amongst the regular gaming machine players he interviewed was the 'tightness' of the machines, with some players noting that increasing player returns would encourage more players, provide an incentive for them to play for longer, and that they would probably put the increased winnings back into the machines anyway. Poker machine return to players averaged 90.4 percent over all NSW clubs in the 1994-95 fiscal year, increasing from an average of 90.0 percent in 1993-94, 87.6 percent in 1992-93 and 86.9 percent in 1991-92 (NSW Department of Gaming and Racing, 1996a:12).

In addition to stimulating gaming machine play through continual changes to the machines themselves, many venues undertake extensive promotions to both attract players and reward high spenders. Such promotions include complimentary tickets for meals or entertainment when a certain level of gaming machine change is purchased, vouchers for coin purchases redeemable for prizes or for entry into a draw to win a major prize, computer linked promotions, and player tracking whereby the expenditure of individual players is monitored

and rewarded if sufficiently high. A KPMG survey of 157 NSW clubs (1995:12) found that each spent up to about 7 percent of gaming machine profits on in-house gaming machine promotions, with the highest expenditure by those clubs which have the greatest reliance on gaming machine profits.

Because clubs are non-profit organisations, they cannot distribute their profits to members. Thus, along with community support, many clubs use some of their surplus revenue to improve the physical facilities and range of services available where gaming machines are played. Many properties are experimenting with themed environments in gaming areas which are seen to provide 'an added value service in mature gaming markets' (Kelly, 1996a:44-45). Additional services such as call buttons on machines for purchasing drinks and payment of manual jackpots and free tea and coffee, encourage patrons to keep playing the machines.

In summary, many poker machine venues, as well as machine manufacturers, have embarked on competitive marketing strategies designed to attract more players, increase player persistence and reward high expenditure. While continued growth in poker machine expenditure suggests that these strategies have been successful from an economic standpoint, such strategies would also seem likely to increase the incidence of problem gambling amongst poker machine players.

2.2 Socio-Economic Impacts of Poker Machine Gaming

A range of benefits can be identified which accrue to individuals, industry, the community and the state government from poker machine gaming. These include quantifiable benefits such as expenditure, employment, government revenue and charitable support, as well as non-economic benefits such as increased leisure and entertainment options.

For example, the Australian Institute for Gambling Research (1996) has estimated that in NSW, machine gaming generates a total of \$1,755 million in expenditure (\$2,535 million adjusted for multiplier effects), and provides direct employment in 5,850 full-time jobs (1996:19-20). In addition, around \$450 million was collected from NSW registered clubs in poker machine duty in 1995-96 (Kelly, 1997:9) with the industry being the fourth largest contributor to the NSW Treasury (RCA, 1994:5). Donations from clubs to charities totalled \$56 million in 1994-95, while over \$600 million was spent on improvements to club facilities (Verrender, 1996:39).

While less easily quantified, other benefits of machine gaming in NSW relate largely to its financing of numerous, geographically dispersed leisure institutions. The growth and development of the NSW clubs industry have been financed largely from poker machine revenues, with about 70 percent of total NSW club revenue currently derived from poker machine profits (NSW Department of Gaming and Racing, 1995:4). Such leisure institutions fulfil an important social purpose for many NSW residents.

Furthermore, many writers have commented on the entertainment, leisure and social value of machine gaming for players. For the majority of people, poker machine play is an enjoyable and relatively harmless activity. However, as discussed below, there is increasing evidence that a minority of poker machine gamblers lose control of their poker machine playing to the extent where it has a range of harmful effects on themselves and others.

2.3 Problem Gambling

Terminology to describe gambling behaviour which is frequent and uncontrolled, causing a range of harmful results has included 'compulsive', 'pathological', 'addictive' and 'problem' gambling. The term 'compulsive' gambling implies that the condition has no permanent cure and is an impulse disorder. Its common use has resulted from its adoption by the self-help group, Gamblers Anonymous (Caldwell, Young, Dickerson and McMillen, 1988:36). 'Pathological' gambling is defined in the Diagnostic and Statistical Manual (DSM) III of the American Psychiatric Association (1980) as:

'a progressive behavior disorder in which an individual has a psychologically uncontrollable preoccupation and urge to gamble. This results in excessive gambling, the outcome of which compromises, disrupts or destroys the gambler's personal life, family relationships or vocational pursuits. These problems in turn lead to intensification of the gambling behavior. The cardinal features are emotional dependence on gambling, loss of control and interference with normal functioning.'

While this view of heavy gambling as a sickness has received widespread criticism (see for example Orford, 1985; Walker, 1996), the use of the term 'pathological' gambling has been partially sustained by the widespread use of the South Oaks Gambling Screen (SOGS) (Lesieur and Blume, 1987) which is the only internationally established measure validated

against the DSM (edition III-R) for diagnosing pathological gambling (Australian Institute for Gambling Research, 1996: Appendix 1). Due to similar criticisms which have been levelled at the medical assumptions behind the term 'pathological' gambling, 'addictive' gambling is also a less frequently used term.

The term 'problem' gambling is increasingly being favoured by researchers and practitioners dealing with excessive gambling behaviour. Problem gambling is defined as gambling which is frequent, is at times uncontrolled and has resulted in some harmful effects (Australian Institute for Gambling Research, 1995:111). Such a term 'avoids some of the pejorative connotations of the psychiatric terminology and 'problem gambling' is rapidly becoming accepted in Australia by various state government departments charged with developing policies and services to assist individuals and families adversely affected by gaming and wagering' (Australian Institute for Gambling Research, 1996:51). In addition, the Australian Institute for Gambling Research (1995:111) notes that the term is readily understood and makes no assumptions about causes or cures.

2.3.1 Problem Gambling Amongst Gaming Machine Players

Problem gambling is accompanied by various economic and social costs. For example, Dickerson (1993) identifies numerous negative effects of problem gambling which he categorises into individual, interpersonal, employment, economic and legal domains. Individual effects include loss of self esteem and depression; interpersonal effects involve marital and family relationships; effects on employment include loss of productivity and job loss; economic effects include gambling debts; while legal impacts involve illegal acts to support gambling and related legal proceedings.

Further insights into these effects are given by a recent study of gambling patterns in NSW (Australian Institute for Gambling Research, 1996). While not specific to gaming machine players, it found that many regular gamblers (those who gambled weekly or more frequently) on non-lottery types of gambling reported gambling for longer than planned (51%), feeling depressed after losing heavily (47%) and trying to win back money after losing (38%). For many, family or friends had criticised their gambling (27%), gambling had become more important than socialising (22%) and their gambling had caused arguments about money with family or friends (18%). Work-related problems included loss of efficiency (8%) and of work or study time (6%). Financially, many reported spending more than they could afford on gambling (35%) and using gambling to try to win money to pay gambling debts (19%). In the legal domain, results of gambling for a minority of regular gamblers were court appearances on gambling-related charges (4%) and misappropriation of money to gamble (4%). There is also evidence of a strong relationship between problematic levels of gambling and hazardous use of alcohol (Australian Institute for Gambling Research, 1996:55). Furthermore, the impacts of gambling-related problems are not confined solely to the individual concerned, with estimates that each case of problem gambling may have an adverse effect on up to ten significant others (Dickerson, Walker and Baron, 1994:41).

In addition to the costs of problem gambling identified above, various counselling services incur costs in the treatment of problem gamblers. In Sydney, at least fourteen specialised services employ counsellors and other staff experienced in the treatment of problem gambling, while a range of general counselling services also provide drug and alcohol, financial or family counselling to problem gamblers and their families. A range of private counselling services is also available (Keys Young, 1996:ii).

While many of the social costs of gambling for gamblers and their families are not readily quantified, the Australian Institute for Gambling Research (1996:12) has estimated the measurable economic and social costs of problem gambling to the NSW community at \$48.1 million per annum, with the breakdown of these costs shown in Table 3.

Table 3
Economic and Social Costs of Problem Gambling to the NSW Community

Impact in NSW	Estimated Annual Cost S'000
Employment impacts	27,834
- Productivity loss	19,889
- Job change	5,238
- Unemployment	2,707
Legal Costs	17,139
- Court costs	5,570
- Prison costs	8,998
- Police costs	2,571
Financial costs	65
- Bankruptcy	65
Personal costs	755
- Divorce	300
- Acute treatment	455
Existing services	2,277
Total	48,070

Source: Australian Institute for Gambling Research (1996:66).

2.4 Social Responsibility in Gambling

As discussed above, while poker machine gaming provides a variety of benefits which are mostly economic in nature, it is also accompanied by a range of costly social repercussions. However, a growing body of literature has increasingly questioned the pursuit by organisations of purely economic goals, particularly when accompanied by negative social impacts. It is not the intention here to review the vast literature on corporate social responsibility, but simply to point out that organisations in general appear to be under increasing pressure to meet social, as well as economic, obligations. This is particularly pertinent to the club sector which, due to its community membership basis, plays a recognised role in responding to social obligations.

The unavoidable interaction between business organisations and the social environment forms the rationale behind corporate social responsibility. For example, Elbing (1970:81) notes that 'the business organization is not only an economic system, it is a social system as well, and the products and consequences of business are inevitably social in a far broader sense than economic.' More recently, Wood (1991:695) has argued that 'the basic idea of corporate social responsibility is that business and society are interwoven rather than distinct entities; therefore, society has certain expectations for appropriate business behavior and outcomes.' Further, Waddock and Mahon (1991:231) contend that 'it has been some time since business executives could safely ignore the social consequences of their actions' and there is little recent argument against the proclamation that 'the social responsibility of organizations has been one of the principle issues confronting business for more than two decades' (Angelidis and Ibrahim, 1993:9). Davis (1973:313-317) also points out that being social responsible is in the long-run self-interest of corporations, as their profits are sought

and achieved under a changing set of social norms. In the context of gambling, similar sentiments have been voiced by McMillen (1996c) who argues for the need for gambling to be socially, as well as economically, sustainable.

While the call for more socially responsible gambling practices in Australia have traditionally been voiced by church, moral reform and welfare groups (see for example Caldwell, 1972; O'Hara, 1988), there have been some recent signs that state governments and gambling operators are increasingly acknowledging that the economic benefits of machine gaming need to be balanced against its social repercussions. All Australian states and territories have legislation in place outlawing underage and credit betting and specifying the minimum return to players. However, other government and gambling industry initiatives in responsible machine gambling vary markedly between the jurisdictions as outlined below.

2.4.1 Responsible Gambling Initiatives in New South Wales

The *Casino Control Act 1992* provides for a levy of 2 percent of revenue from the Sydney Harbour Casino to be allocated by the Casino Community Benefit Fund to projects which address the social and economic impacts of gambling. Sydney Harbour Casino has also voluntarily launched a responsible gaming policy (Booth, 1996) and is bound by various consumer protection measures under the *Casino Control Act 1992 NSW*. While the current government released its *Social Conscience Stand on Gaming Policy* (1995) prior to its election, few other demonstrable initiatives in responsible gambling have been taken by other gambling sectors in the state (David Greenhouse, pers. comm., 10 July 1996).

2.4.2 Responsible Gambling Initiatives in Queensland

The *Casino Control Act* allows for players to be excluded from casinos, while each of the four casinos pays a one percent levy on casino gross revenue into the Community Benefit Fund (\$2.6 million in 1994-95) to be distributed to community organisations seeking grants. In clubs and hotels, the *Gaming Machine Act 1991 QLD* allows for players to be excluded from a venue for one month at a time, following a request from a family member. The Gaming Machine Community Benefit Fund receives 0.5 percent of hotel gaming machine turnover and a club levy depending on the amount of turnover greater than \$500,000 per month, with \$10.5 million distributed from this fund in 1994-95. A further Sport and Recreation Levy and Charities and Rehabilitation Levy raised \$34.6 million and \$21.1 million respectively in 1994-95, with the latter funding the Break Even organisations which specialise in the treatment of problem gambling (David Ford, pers. comm., 10 July 1996).

2.4.3 Responsible Gambling Initiatives in Western Australia

The TAB, Lotteries Commission, Gaming Commission, Burswood Casino and the WA Bookmakers' Association contribute funds (approximately \$150,000 for 1996-97) to support a pilot programme of services for problem gamblers. This programme has operated for one year and will be evaluated in the second year of operation. The programme was initiated by the Gaming Commission as part of its responsibilities for the regulation of gambling in the state. In addition, each sector of the industry displays posters and pamphlets with information about services for problem gamblers, while Burswood Casino has self-exclusion practices in place (Maxinne Schlanders, pers. comm., 9 July 1996).

2.4.4 Responsible Gambling Initiatives in the Northern Territory

A community benefit levy of 25 percent of player loss is payable by hotels with gaming machines, with the Community Benefit Fund Committee determining the distribution of funds to community organisations. In addition, a turnover tax of 6 percent for hotels and 3 percent for clubs raises funds for charitable, benevolent and philanthropic organisations. The government also funds Amity House, a rehabilitation centre for gambling and alcohol related problems in the Northern Territory (Gary Moriarty, pers. comm., 11 July 1996).

2.4.5 Responsible Gambling Initiatives in Tasmania

The *Gaming Control Act 1993 TAS* provides for a community support levy of 2 percent of gross profit from gaming machines in clubs and 4 percent in hotels for allocation to sporting and charitable organisations. Twenty-five percent of the revenue raised will provide for sporting and recreation clubs, 25 percent for charitable organisations and 50 percent will be distributed in the areas of research into gambling, services for the prevention of problem gambling, treatment and rehabilitation of problem gambling, community education concerning problem gambling, and other health services (Anglicare, 1996:v; Appleyard, 1995). In addition, the government commissioned a baseline study (Dickerson, Walker and Baron, 1994) to assess the extent and impact of gambling in Tasmania before the introduction of gaming machines in hotels and clubs in 1997. It released an integrated gambling policy (Tasmanian Government, 1995) where attention was given to managing the negative impacts of gambling in terms of education, proactive strategies and direct services, and oversaw the formation of a Gambling Industry Group which has commenced developing approaches to managing problem gambling issues (Appleyard, 1995).

2.4.6 Responsible Gambling Initiatives in South Australia

Gaming machines have been legalised in SA hotels and clubs since July 1994 (*Gaming Machines Act 1992 SA*) with 9,262 machines currently operating in 417 venues, predominantly hotels (Liquor Licensing Commissioner, 1996:3). The maximum number of machines per venue is 40, taxed on a sliding scale commencing at 35 percent of net profit (Liquor Licensing Commissioner, 1996:9). The *Gaming Machines Act 1992 SA* also established amounts to be paid into specific purpose funds from gaming machine revenue - the Sport and Recreation Fund (\$2.5 million), the Charitable and Social Welfare Fund (\$3 million) and the Community Development Fund (\$19.5 million) (Liquor Licensing Commissioner, 1996:9).

Prior to the introduction of gaming machines, the Licensed Clubs Association of South Australia and the Australian Hotels Association (SA) voluntarily developed the following package of initiatives to address potential social problems:

- *Guidelines for the Responsible Provision of Gaming Machine Services*, a publication for licensees, managers and staff of clubs and hotels to assist them in managing a gaming venue in a lawful manner and in sympathy with community expectations. The *Guidelines* contain an industry code of practice, customer service strategies for delivering responsible gaming services, guidelines for being sensitive to gaming

related problems, agencies which can help patrons with gambling problems, options on barring provisions and legal obligations.

- *Smart Play: Every Players Guide*, a publication designed to provide gaming machine players with information on how machines work in order to maximise enjoyment and minimise risks of excessive gambling. It also contains helpful hints if things go wrong or if players believe they have a problem. Most venues provide *Smart Play* free to patrons near tea and coffee stations, in between machines or at the cashier's desk and the Association ensures venues are sent additional copies twice yearly. Internal communication mechanisms continuously remind members to have stocks replenished, while regular regional meetings throughout the state are also a distribution and discussion point.
- Voluntary funding, amounting to \$1 million in the first year, of nine agencies in SA to provide counselling for individuals who develop a gambling problem and family members.
- Developing positive relationships and ongoing liaison with key welfare service providers and other agencies involved with gaming.
- Training programmes for licensees and staff on being sensitive to gambling problems, with about 100 gaming managers and employees having been trained since the programme's development in September 1996.

An interview conducted with Margo McGregor, Community and Public Relations Manager for the Australian Hotels Association (SA) revealed that the Association developed these initiatives 'firstly as a harm minimisation strategy, and secondly to publicly demonstrate a proactive and responsible industry, as a prong in a positive community relations initiative'. Ms McGregor considers there has been good support for the initiatives so far. While there is no mechanism to penalise venues for non-compliance, the Association relies on an educative focus, encouraging, supporting and advising of their importance as protection from external criticism against problem gambling. Most comply with this request, and as their membership fees pay for the package, take advantage of it. Furthermore, the *Guidelines* provide a 'source of relief' for venue operators, as they clearly articulate the important issue of 'boundaries' around the role of gaming machine employees and counsellors, reinforce the complex nature of problem gambling, the difficulties in assessing whether someone has a problem, and how clumsy intervention can make the issue worse, not better. The training module also reduces staff anxieties about what they are expected to do regarding the problem gambler, with feedback direct from participants being 'very positive' so far. While the success of these initiatives in allaying public concerns about the social consequences of machine gambling is difficult to know, the Association is planning an evaluation of the strategies amongst its members.

2.4.7 Responsible Gambling Initiatives in Victoria

One-twelfth of gross gaming machine profits from hotels goes to a Community Support Fund to be spent on sport and recreation clubs, health and community services, youth affairs, arts and tourism, while one-third of gross gaming machine profits from clubs accrues as government revenue and is placed in the Hospitals and Charities Fund and the Mental Hospitals Fund (Anne Rahilly, pers. comm., 4 July 1996).

In addition, a responsible gaming package was launched in February 1997, representing a cooperative effort by TabCorp, Tattersall's, the Crown Casino, the Australian Hotels and Hospitality Association and the Licensed Clubs Association of Victoria 'to ensure that all gaming machine play is conducted responsibly and in line with expected community standards' (Victorian Gaming Machine Industry, 1997). The Victorian Gaming Machine Industry package consists of:

- *Gaming Machine Industry Accord*, an agreement between the signatories to develop and promote guidelines and programmes for responsible gaming machine play while promoting economic development, the development of the gaming machine industry and an enhanced public image; to adhere to the various Codes of Practice; to periodically consult with key community groups in reviewing the Codes of Practice; to maintain programmes and training in responsible gaming; and to provide timely and effective resolution of gaming machine-related complaints through an independent complaint resolution process.
- *Gaming Machine Industry - Advertising Code of Ethics*, to deter false, misleading or deceptive advertising of machine gaming; to ensure such advertising is in good taste and targets audiences of 18 years and over; and to discourage association with excessive alcohol consumption in gaming advertisements.
- *Gaming Machine Operators Code of Practice*, an agreement between TabCorp and Tattersall's to give preference for gaming machine installations to venues who provide public facilities which can be used by patrons for purposes other than gaming machine play (restaurants, entertainment, sporting facilities, etc.); which can demonstrate experienced and professional management; which plan to reinvest a reasonable proportion of gaming machine proceeds into enhanced leisure, entertainment and sporting facilities for patrons; which comply with the Codes of Practice; which contribute to and participate in the local community; which are bona fide hotels or clubs with appropriate mixes of customer facilities; and which are not located in major shopping complexes. The signatories will also promote responsible gaming through appropriate marketing; information, referrals and self-exclusion programmes for problem gamblers; providing training for venue operators; and maintain an active programme of community support.
- *Licensed Venue Operators Code of Practice*, an agreement between the Australian Hotels and Hospitality Association and the Licensed Clubs Association of Victoria to abide by the spirit of the Codes of Practice and Advertising Code of Ethics; to ensure gaming is an ancillary activity to a range of hospitality services; to prevent minors, intoxicated persons and self-excluded persons entering gaming rooms; to assist problem gamblers through self-exclusion programmes, signage and brochures; to prevent credit betting; to encourage big winners to have a cooling off period and take payment by cheque; to ensure staff have completed courses in responsible gaming and responsible service of alcohol; to clearly mark machines which are unplayable; to cooperate with other sectors of the Victorian Gaming Machine Industry and the independent complaint resolution process; and to subscribe to an annual levy to cover the costs of compliance with the Codes and the self-exclusion programme.
- *Crown Limited Code of Practice*, which has provisions for entry controls; patron safety and security; assisting problem gamblers through self-exclusion programmes and the Crown Assistance Program; cooperation with treatment and counselling services; patron assistance including disabled and non-English speaking patrons; staff training in responsible gaming and responsible service of alcohol; player information

about gaming machine play; controls on cheque cashing, ATMs, EFTPOS and credit; customer complaints procedures; staff policies; provision of community support; and legislative compliance.

2.4.8 Responsible Gambling Initiatives in Australian Capital Territory

Just prior to publication of this report, the *Australian Capital Territory Gaming Industry Voluntary Code of Practice* (Australian Capital Territory Government, 1997) was released, established by the Australian Hotels Association (ACT), Casino Canberra, the Gambling Crisis and Counselling Service, the Licensed Clubs Association of the ACT, Lifeline Gambling and Financial Counselling Service, the ACTTAB, the Office of Financial Management of the ACT Government, and the ACT Consumer Affairs Bureau. The ACT initiatives, which were modelled on the *Victorian Code of Practice for Responsible Gaming* and the *Guidelines for Responsible Provision of Machine Gaming Services* in South Australia, include:

- *Gaming Industry Accord*, with similar objectives to the Victorian package.
- *Gaming Industry Advertising Ethics*, modelled on the Victorian package.
- *Gaming Code of Practice*, which promotes policies and procedures for responsible gaming; the use of appropriate signage; assistance for problem gamblers; prohibition of credit betting, the cashing of certain types of cheques, ATMs in gaming areas and cash transactions on EFTPOS; encouragement of cheque payment for wins of \$500 or more; and staff training in responsible provision of gaming.

Given that South Australia and Victoria have been the most proactive states in developing and implementing responsible gaming strategies (excluding the ACT which had not released its package when the research for this study was conducted), the various components of their packages were used as the basis for the schedule of interviews with NSW club managers (see Appendix A). The following sections summarise and discuss these interview findings.

SECTION THREE

CLUB MANAGERS' PERCEPTIONS OF THE IMPACTS OF GAMBLING

This section addresses the first objective of the study, which was to gauge the perceptions of the interviewed club managers of the positive and negative impacts of gambling.

3.1 Perceived Positive Impacts of Gambling

The club managers were asked four questions about their perceptions of the positive impacts of gambling. These related to benefits of gambling both for gamblers and the local community, the types and selection of community and charitable projects supported by their club from gaming profits, and the estimated amount of such contributions.

3.1.1 Benefits for Gamblers

The club managers identified a range of potential benefits which motivated people to gamble. These can be grouped into the following eleven categories of gambling motivations.

- Entertainment. Most club managers recognised that for many gamblers, 'possibly the biggest group', gambling is a recreational pastime where people are looking for a 'run for their money', with one noting that it provides a similar form of passive entertainment to watching television and a replacement for conversation.
- Leisure and relaxation. Many interviewees also identified that gambling plays a 'therapeutic' role in helping people 'to unwind', providing 'relief from the stress of modern day living'.
- Escape. Gambling was also recognised as providing an 'escape from everyday life', 'a diversion from the day to day doldrums of life and work', allowing people to 'forget their life situation for a while'.
- Excitement. By providing opportunities for risk-taking, a chance of winning and 'an exciting environment', gambling provides stimulation or 'a buzz' for some people, allowing 'emotional exercise' by allowing individuals to 'experience excitement, happiness and euphoria'.
- Social outlet. Gambling was also seen as a 'social event' and a 'social outlet' which allowed contact with others, a way of nurturing friendships and 'a chance to get out of the house and be around other people'.
- Challenge. Some managers identified the competitive aspects of gambling as reasons for gambling, both in terms of beating the odds ('you against the machine') and beating others ('I won this, see what you can do').
- To pass the time. Gambling was also considered as a 'time waster', a way to 'kill time'.

- To win money. Clearly, gambling provides an opportunity to win money, 'a chance at cash benefit' and 'potential gain', with one interviewee noting that this applied particularly to low income earners.

While not considered benefits of gambling, three additional motivations for gambling were identified:

- Addiction. Three managers identified addiction as a motivation for gambling, leading some to 'put every last cent they have through the poker machines' due to 'dependence on cash benefit to fix a problem' or 'addiction' to gambling.
- Availability. As one manager stated 'gambling in general is what makes people gamble', recognising that convenient availability may enhance gambling participation.
- Heritage. One manager noted that propensity to gamble has 'developed from the heritage of Australians', 'from their ancestors'.

Some interviewees noted that benefits of gambling varied between different types of gambling. Some considered poker machine gaming as a pastime and form of entertainment, while viewing betting on horses as motivated primarily by the chance to win money.

3.1.2 Benefits for the Community

When questioned about the benefits which flow to the community from gambling, most answers centred around funds available for reinvestment in the clubs, the provision of services and facilities for members and visitors, and support for charities and community projects. The main benefits were identified as:

- Achieving the objectives of the club in pursuing and promoting its common interest.
- Subsidisation of cheap food, entertainment and other club facilities.
- Contributions to sport, community causes and charities.
- Better club facilities.
- Redistribution of funds through the community, through employment, club purchases of goods and services, and taxes paid.
- Strengthening of social values through the 'integration of community groups', providing venues for people to 'meet, socialise and exchange ideas', through the provision of intra-clubs, by 'keeping people off the streets' and by setting a good example to younger people.

The reliance of clubs and the government on gaming profits was stressed by some, with one noting that 'this state would be bankrupt without gambling', and others that gambling 'allows the clubs to survive', that 'otherwise, it would be just a break-even situation' and that 'gambling is the only revenue that keeps the small clubs going'.

When asked what types of charities and community projects their clubs support from gaming profits, responses of the club managers fell into five broad categories:

- Sporting support, through providing facilities and monetary assistance to both sporting teams affiliated with the club and other local teams.
- Charity donations to various welfare organisations.
- Community project donations, such as to schools, hospitals and libraries.
- Community group support, through providing both monetary and non-financial support (eg: meeting rooms, subsidised meals) to groups such as Scouts, Girl Guides, Quota, Rotary and Lions.
- Disaster relief, eg: donations to the Newcastle Earthquake Fund.

The majority of club contributions were within the local district, with most managers believing that it is 'part of our responsibility to help the locals'. Selection of projects and charities to support was often based on the objectives (eg: 'RSL interests') and traditions of the club ('if we've given money in the past, we follow that through'), although one manager described how his club accepts letters and phone calls, evaluating requests for support on their merits. Donations were generally allocated on an annual basis by the Board of Directors. Another manager commented that clubs do not draw enough attention to the extent of their community and charitable contributions, and that it is something they should 'hammer', particularly to the state government.

Many managers had difficulty in estimating their club's contributions to charities and community projects, with a number pointing out that it was impossible to quantify the value of support such as free meeting rooms, subsidised meals and free entertainment. For those who were able to quantify community contributions, the annual amount of support varied from charitable donations of \$4,500 per year to '\$3 million dollars to the football club'. As a percentage of profits, contributions generally ranged from 2 percent to 15 percent, although one manager maintained this was 90 percent. Clearly, the responses of some managers included some or all of their club's entire facilities and services in their estimation.

3.2 Perceived Negative Impacts of Gambling

Six questions were asked relating to the negative impacts of gambling. These related to whether the managers thought that gambling causes problems for some people, the extent of gambling problems in both the community and amongst club patrons, the types of problems encountered by those who lose control of their gambling, and the types of gambling and club gaming most associated with loss of control.

3.2.1 Extent of Gambling-Related Problems

All but three interviewees agreed that gambling causes serious problems for some people, with responses varying from 'absolutely', 'it is a major problem', to 'I think we'd only be lying if we didn't think it did', to 'yes, but not as bad in clubs as casinos'. However, two managers stated that they didn't know, and one commented that 'gambling is not the cause of the serious problem', rather that some people have 'a problem which exudes excessive, compulsive behaviour which causes gambling to be a problem in their life'.

Many club managers had difficulty in estimating how extensive gambling-related problems might be in the community, although most agreed that gambling problems would affect only a small minority of gamblers. Some commented that 'it is very hard to gauge because you don't always hear of it' and because 'gambling problems are probably a less visible destructive habit than say alcohol or drug abuse'. Some also noted that 'nobody knows...it's impossible to detail' and that 'I don't think there's enough information around', while another commented that 'there's not the epidemic proportions they're trying to make out - that is, the anti-gaming lobby'. Another implied that he thought the problem was virtually non-existent, having 'never heard of families breaking up...families going without...or families playing it tough because of gambling'. Only three managers perceived gambling-related problems to be extensive ('there must be a lot', 'very serious and extensive', 'fairly extensive and it gets worse as the economic situation get worse'), while another thought that 'problem gambling appears to be growing in the community, although it may be just the attention being given to it'.

When asked how extensive they thought gambling-related problems are amongst club patrons, responses varied from 'I haven't heard of anyone having problems with gambling' and 'I can't see any problem there at all', to 'very small' and 'definitely a minority', to 'it's very common...there's no doubt'. One manager perceived '25 percent of club patrons (to) have varying degrees of addiction to gambling, although this may not pose problems for some', while another stated that 'based on observation, I believe that one in 30 who play poker machines may exhibit some of the signs of compulsive gambling'. Again, some managers pointed out that they didn't know the extent of gambling problems within their own individual clubs, with many commenting that it was difficult to gauge because 'it's hard not to confuse big gamblers with problem gamblers', because 'we don't see the effects away from the club' and because of the difficulty of defining a gambling problem. The number of problem gamblers in their clubs that had come to the attention of the managers varied from 'two or three people at most a year' from 46,000 members, to 'one serious problem' in ten years ('but that's not to say it doesn't exist and to what degree'), to 'seven members handing in their membership card on the basis of gaming'. Another manager commented that 'I think everyone who works in a club could name about a dozen people off the top of their head who would either be their top punters or just people they see every day, seven days a week, day and night'. Another manager pointed out that 'clubs are the larger number (of gambling venues), so they've offered the facilities and venues...that are very close to those peoples' homes. So yes, the clubs would probably have a major impact'. However, another noted that 'because we only offer limited types of gambling opportunities, I don't think too many people lose control'.

3.2.2 Types of Gambling-Related Problems

The club managers were able to identify a range of problems which might arise for people who lose control of their gambling. These comprised:

- Family problems, such as domestic violence, family break-up, and family conflict.
- Behavioural problems, such as anti-social behaviour, being 'a bit agro and aggressive', excessive drinking, being 'short tempered', and mood swings 'from euphoria to depression'.
- Work-related problems, such as poor work performance, loss of own business, and destruction of relationships with employers.

- Personal problems, such as 'loss of self-esteem', depression, withdrawal, preoccupation, reduction in support group, breakdown of personal relationships, loneliness, health problems, and social problems.
- Financial problems, such as difficulty in maintaining family commitments, less money for food and clothes, inability to pay bills and rent, repossession of belongings, debts to criminals and associated threats of violence.
- Legal problems, arising from criminal activity.

A number of the interviewees noted similarities between the consequences of problem gambling and drug and alcohol addiction, commenting that these could be 'dramatic', 'terribly sad' and that 'you virtually lose everything through an addiction'. However, a few respondents said that they didn't know what kinds of problems might be encountered from uncontrolled gambling. One manager contended that 'I don't think it's as bad now as it used to be with the things that the media say and signs put up...people seem to be more aware of the problems that come from gaming now' and another that 'I certainly wouldn't spend thousands through the poker machines...I've got more intelligence than that'.

3.2.3 Types of Gambling Associated with Problem Gambling

When asked what types of gambling they thought excessive gamblers might have the most trouble controlling, less than half the interviewees identified poker machines. Of those that did, some comments were that 'even though they're (poker machines) more passive gaming...they are very controlling and addictive', and that poker machines offer a form of 'instant gambling...as there is no resting period from the time you bet until it is time to bet again'. About half the club managers thought that TAB betting and casino games are the most problematic. This is because they are 'associated with an adrenaline rush...which tends to be more conducive to hooking someone', because 'there is no restriction on the size of the wager', because they provide a 'quick fix' and a 'quick return', because they 'allow the option of spending a lot of money quickly in the heat of the moment...the individual has a tendency to get carried away', because 'the stakes are higher and quicker' and because 'it's a group thing too'. Some managers pointed out that poker machines are less likely to be a concern because of bet limits, that 'the most anyone can lose at one time is \$10', and because of the passive nature of machine gaming such that 'there is not a lot of interaction between the individual and the machine' so that 'a gambler with a raw gambling addiction would get very bored with poker machines'. Two managers stated that they didn't know which forms of gambling are the most problematic, with another noting that it may be 'different people, different types' and another that 'problem gamblers as such will be people that gamble on everything'. One interviewee offered the following analogy: 'If compared to drugs, TAB equals heroin, poker machines equal cocaine, Lotto, etc. equals Cerapax'.

When asked what types of club gaming patrons might have the most trouble controlling, the majority of managers identified poker machines, pointing to their 'large numbers, high visibility and more prizes offered'. Five managers identified the TAB, again explaining that unlimited bet sizes contributed to abuse. (It should be noted that not all club managers interviewed operated TAB facilities in their clubs). One interviewee also noted that 'Keno has its hooks; it's addictive as well'. One manager contended that 'all forms of gambling have their problems', another that 'none of the forms of gambling would be more likely than others to cause problems' and another that 'I don't actually call it gambling...I think it's entertainment'.

3.3 Discussion

Clearly, there is a great deal of variation in the perceptions of club managers relating to the positive and negative impacts of gambling. The ensuing discussion will summarise and comment upon these.


In terms of the benefits of gambling for the individual, the club managers' responses largely reflect the range of sociological motivations for gambling identified in prior studies. In contrast to the psychological literature which has tended to focus on the excessive gambler who suffers serious financial losses as a result of a pathological addiction to gambling, sociological explanations have recognised that most gamblers gamble in a controlled fashion with few serious or negative repercussions. Thus, sociological analyses of gambling have presented a more positive explanation of gambling as a legitimate and natural leisure activity (McMillen, 1996b:15) and have attempted to understand what motivates this activity. The various sociological motivations for gambling which have been proposed in the literature can be broadly categorised into intrinsic motivations, such as the entertainment, hope, challenge and excitement value which gambling provides for participants (for example, Caillois, 1961; Tec, 1964; Lynch, 1985, 1990; Goffman, 1967); the diversionary value of gambling in providing an escape from boredom and everyday life (for example, Thomas, 1901; Bloch, 1951; Elias and Dunning, 1969; Goffman, 1969; Caldwell, 1972); and the external rewards which accrue from gambling, such as social and monetary gains (for example, Newman, 1972; Hayano, 1982; Martinez, 1983; Rosecrance, 1985, 1888; Ocean and Smith, 1993). Clearly, all three types of motivations were recognised by the club managers in their responses, as was the notion that motivations for gambling may differ between individuals and that such motivations may also vary amongst different types of gambling.

In terms of benefits which accrue to the wider community from gambling, most apparent was the emphasis given by the interviewees to the local nature of such benefits from club gaming. Clearly, the club managers feel that their immediate local community benefits most from extra funds available for reinvestment in the clubs, the provision of quality services and facilities for patrons at affordable prices, support for a variety of charities and community projects, and a boost to local economic activity.

In contrast to their well-informed comments on various positive aspects of gambling, there was lesser understanding shown by the club managers of the nature and extent of problem gambling in the community and amongst club patrons, and the types of gambling which problem gamblers have the most difficulty controlling. While many managers correctly recognised that problem gambling affects only a small minority of the population, there seemed to be no knowledge of studies which have provided prevalence rates of problem gambling, statistics which many interviewees assumed were unknown. In addition, there was very little knowledge of how common gambling-related problems might be amongst club patrons with most managers relying on anecdotal evidence and observation. Of more concern however, was a lack of recognition that poker machines have been found to be the favourite form of gambling for many problem gamblers in NSW (Keys Young, 1995; Dickerson, 1996). Reasons such as limited bet size and the passive nature of the game were given to explain why poker machines are less problematic than casino and TAB betting which, in contrast, were seen as providing a 'quick fix', an adrenaline rush and opportunities for unlimited bet sizes. However, when asked about the types of problems encountered by people who lose control of their gambling, it is clear that the managers recognised the seriousness of problem gambling's repercussions for the individual and significant others. Consistent with a typology of gambling problems developed by Dickerson (1993), the interviewees identified

that problems could occur for problem gamblers in their individual, interpersonal, employment, financial and legal domains.

From the interview findings discussed in this section, it is apparent that opportunities exist for further dissemination of research findings on problem gambling to the club community. Information on the prevalence of problem gambling and role of poker machines in contributing to gambling-related problems would be particularly useful in encouraging clubs to take a more proactive approach to implementing responsible gambling practices. In addition, research into the extent of gambling-related problems amongst club patrons should be encouraged to provide a baseline from which to address the issue.



SECTION FOUR

ATTITUDES, AWARENESS AND CURRENT PRACTICES IN RESPONSIBLE CLUB GAMING

This section is the first of two which address the second research objective, which was to explore the attitudes of the club managers to adopting a range of responsible gaming strategies, such as those implemented in other Australian jurisdictions. This section is divided into two subsections. These relate to perceived responsibility for harm minimisation and support for problem gamblers, and awareness and current implementation of harm minimisation practices in the clubs.

4.1 Responsibility for Harm Minimisation and Support for Problem Gamblers

Club managers were asked five questions relating to responsibility for harm minimisation in gambling and assistance for problem gamblers and support services. These related to responsibility for minimising gambling-related problems, the funding of associated counselling services and research, and the extent and appropriateness of responsibility currently taken by the NSW clubs industry.

4.1.1 Responsibility for Minimising Gambling Related Problems

When asked whose responsibility, if any, it is to minimise the incidence of gambling-related problems, most respondents thought that a range of stakeholders involved with gambling have some responsibility and these are listed below. (The numbers in brackets indicates the number of respondents who identified the particular stakeholder as having some responsibility.)

- Gambling venues (15).
- Government (9).
- Individual gamblers (5).
- Local communities, community and welfare groups (3).
- Employee and employer associations/unions (1).
- Gaming machine manufacturers (1).
- Family and friends (1).

The majority of interviewees thought that gambling venues, including clubs, should play some role in minimising gambling-related problems, with some commenting that 'if we are providing the service and it is creating a problem for the community, then we have to look at it very seriously', and that 'if you're aware of a problem and you don't do anything, you're

condoning it and it won't go away'. Another noted that 'I believe part of it should fall back on clubs (although) I know the industry won't say it (but) they should'. Others commented that clubs could play a role by 'offering brochures to help them acknowledge that they do have a problem', by trying to 'identify the problem', by having 'personnel trained to recognise it', by providing patron education through signage, and by limiting cheques cashed by those with problems.

Many club managers thought that minimising gambling-related problems was a shared responsibility amongst many stakeholders, primarily 'every organisation that gains from gambling'. One suggested that 'if there's a problem in the gaming area, all parts of those industries should be putting up a fighting fund', another that 'if it is a local problem all associations should be getting together to cooperate in the education process' and another that 'it has to be an industry and government combined effort'. Many also pointed to the role that should be played by the state government given the 'enormous amount of money it makes through taxes on these services' and because the government is 'constantly promoting more gaming'. The government could shoulder some responsibility through a 'community awareness campaign', 'general advertising' and 'funding of counselling and research'.

However, some club managers saw the problem as being wholly the responsibility of the individual gambler concerned, with the strongest comment being: 'Why should the public at large, or anybody, be responsible for anyone else's behaviour...that is censorship...this is supposed to be a free society...people should be able to look after themselves and...their own thoughts and practices, morals and ethics'. Another contended that 'I don't really think it is our responsibility...I don't think there is much we can do...if there are problems, you don't really see them here'.

4.1.2 Responsibility for Funding Counselling and Research into Problem Gambling

The majority of club managers thought that responsibility for funding counselling services for problem gamblers and associated research lay with the state government, which 'has to accept responsibility for its actions and its actions in the past'. Reasons for considering that the state government was the most appropriate source of funding included that 'the government makes a lot of money out of gaming', 'to standardise methods of counselling and so forth right across the state', that 'funding or research provided by industry may provide the opportunity to shade the problem to benefit (it)', and that 'if they're (the state government) are good enough to collect your gambling taxes, then they've got to redirect that towards what they're trying to fix'. Nine managers thought funding should come wholly from the state government, while seven thought that the state government should contribute along with industry and other stakeholders. However, one manager commented that 'even more funding should be received from hotels and casinos as they do not provide anything back to the community from gambling, as they are profit maximising organisations'. Another manager considered that the RCA should provide funding, while one thought that charities which 'receive extensive funds from clubs' should fund it. Only one manager thought that it should be funded by the individual, explaining that 'if you're sick, you go to a doctor, and if you have a gambling problem, you do exactly the same thing'.

4.1.3 Extent and Appropriateness of Responsibility Taken by the NSW Club Industry

When asked if they thought the NSW club industry is taking sufficient responsibility in harm minimisation in gambling, the majority of interviewees replied in the negative. As one

succinctly explained, 'I don't think there is really anything happening at the moment, is there?' However, while agreeing that more responsibility could be taken by the club industry, some managers pointed out that gambling problems had 'never been an issue in the past', only recently becoming 'a more prevalent topic amongst the media and community groups', meaning that 'the club industry (now) needs to be proactive in its approach to this issue'. As one explained, 'the industry has obviously grown up with poker machines, since 1956. I think that now the gambling industry is so wide and diverse...the club industry should share a proportion of the responsibility'. However, other managers thought that 'we do as much as we can', that the industry is being sufficiently responsible but that its 'hands are tied by government', that 'I'm sure no manager in any club knowingly lets some bloke gamble away his home or life savings', and that 'a lot more clubs are becoming a lot more proactive in that area rather than waiting for governments to legislate...I think the club industry is a far more professionally minded industry when you compare it to hotels, because we are more community minded'.

Sixteen of the managers agreed that it would be in the best interests of the NSW club industry to take more responsibility in harm minimisation in gambling. Benefits included promoting 'a more positive image in the community' as 'good corporate citizens', to 'not only to be seen to be doing something, but to actually ensure policies are carried through and that staff and patrons are educated', 'to introduce a responsible code before it's legislated', and because it makes good 'business sense' to 'have 1,000 people gambling \$20 a time and using other club amenities, than to have 20 people gambling \$1,000 and maybe losing their money and leaving'. However, some respondents qualified their opinion that the club industry should take more responsibility by stating that 'every (gambling) organisation should take equal responsibility' as 'if you only have one section of the gambling industry taking steps, then it would be pointless for the clubs to do it' because 'the compulsive gamblers we are trying to help will only go to the other organisations to satisfy their compulsive needs'.

4.2 Awareness and Current Implementation of Harm Minimisation Practices

The club managers were asked three questions relating to their awareness and their clubs' current practices in harm minimisation in gambling. These related to measures that they thought could be taken to minimise gambling-related problems, whether their club currently follows any of these practices, and if and how they thought problem gamblers might be identified.

4.2.1 Awareness of Harm Minimisation Practices

A range of practices which could be implemented to minimise gambling-related problems were identified by the interviewees, as listed below:

- Printed material, such as leaflets, posters and other signage.
- Club policies to deal with problem gambling.
- Designated club employee or trained counsellor to deal with problem gamblers.
- Acceptance of cash only.

- Management training and appreciation of the problem.
- Stringent policy on cashing cheques.
- Responsible advertising and reduction/restriction of advertising.
- Warning messages in the club.
- Community based education through radio and television advertising.
- Access to and availability of counselling services.
- Training/education of venue personnel and patrons to identify the problem and people with problems.
- Ceiling on bets across all industry sectors.
- Reduction/restriction on introducing new forms of gambling.
- Voluntary self-exclusion system.

4.2.2 Current Implementation of Harm Minimisation Practices

When asked if their club currently implements any of these practices, a few clubs were being quite proactive, others had limited measures in place involving mainly signage and cheque cashing controls, while most had taken no initiatives. Practices currently in place are listed below. (The numbers in brackets indicates the number of clubs adopting each practice.)

- Cheque cashing controls (3).
- Signage displaying counselling/welfare phone numbers (3).
- Club policies and procedures for responsible gaming (1).
- Referrals to counselling services (1).
- Employee assistance program (1).

While only a minority of the clubs had adopted any harm minimisation practices, one club was in the development stage of a responsible gaming strategy, another club manager noted that he was 'awaiting industry guidelines', while others raised the issue of patrons' rights to privacy and the difficulty of identifying problem gamblers, as expanded on below.

4.2.3 Identification of Problem Gamblers

There were very mixed responses amongst the managers when asked if and how problem gamblers could be identified. Four thought it near impossible, others considered it possible but difficult, while others thought they were easy to identify. Of those who felt problem gamblers could be identified, suggested indicative signs were:

- Aggressive or anti-social behaviour or other behavioural changes.

- Trying to borrow money.
- Looking 'down and out', 'haggard', or 'deteriorated'.
- Cheque cashing amount and frequency.
- Amount of time spent in the club and spent playing poker machines.
- Purchase of TAB tickets, or notes or coins from the change bar.
- Being introverted, 'jittery', quiet and keeping to oneself, 'out of the action'.
- Change in patterns, such as a working person suddenly starting to come in during the day.
- Increased alcohol consumption.
- Chronic smoking.
- Use of note acceptors or coin dispensers to hide expenditure.
- Through player tracking.
- Comments (eg: 'I've just done my rent money' or 'continually complaining 'I've lost' or 'I have nothing'.')
- Not being happy when they win a 'good amount'.
- Bouncing cheques.
- Progression from 'playing a 5 cent machine to a \$2 machine'.
- Being paged by their children.
- Trying to 'hide what they are doing, based on their location and where they place themselves in the poker machine room away from other people for long stints'.

It should be noted that many of the above indicators were not identified in isolation as signs of problem gambling, but that respondents generally identified a combination of indicators. However, many respondents qualified their answers. For example, while being aggressive may indicate problems with gambling, 'someone might have just had a bad day...you can misinterpret those things'. Similarly, the amount of time spent playing poker machines might be misleading as 'they might only be playing a one cent machine, playing one credit'. Another noted that 'people could lose a lot of money but it's not a problem if they have got it...whereas other people mightn't have much money and they cannot afford to lose any of it'.

Many respondents, even those who were able to identify some signs of problem gambling, pointed to the difficulties in approaching problem gamblers due to concerns for invasion of privacy and anti-discrimination laws. Regarding the former, two managers noted that, while player tracking devices might be used to identify frequent gamblers, the notion of 'big brother' deterred them from using these for purposes other than marketing and data retrieval. Another respondent commented that 'if you walked up to an Aboriginal person or an Asian person or someone of an ethnic background...you would have the Anti-Discrimination Board down on you that quickly'. Of those that thought problem gamblers were difficult to identify, some reasons for this included potential invasion of privacy, no knowledge of the person's financial

situation, and the use of note acceptors and coin dispensing machines which meant that 'they could sign in at the club, go to the machine, and never once go to the bar'. Furthermore, one manager contended that 'suspected problem gamblers can be identified, but this is not the main issue. They must identify the problem first before any help can be given'.

In addition to the above indicators, one manager identified signs of problem gambling which would only be noticed away from the club. These included finding that money was regularly going missing, dishonesty in relation to financial matters, unexplained absences from home or work, secretiveness with mail, denial of the problem when confronted, unrealistic expectations, self-deceptions whereby past problems are forgotten, loss of sexual drive or sexual addiction.

4.3 Discussion

This section has focused on the interview findings relating to the club managers' views on responsibility for gambling-related problems, their awareness of harm minimisation practices, and the current use of such practices in their clubs. The following discussion summarises and comments upon these findings.

The majority of club managers believe that NSW clubs should shoulder some responsibility for minimising gambling-related problems in the community, with many also believing that the state government should play an active role as well. However, there was less agreement that the clubs should fund responsible gaming strategies, with most believing that the state government should fund both counselling and research into problem gambling due to its substantial financial gain from gambling taxes and its continued expansion of gambling within the state. Nevertheless, a substantial minority of the interviewees felt that clubs and other stakeholders, such as other gambling industries and machine manufacturers, should also contribute funds for these purposes.

There was also a recognition by most that the NSW club industry is not currently taking sufficient responsibility in harm minimisation in gambling, especially given the growing public and media attention being directed to gambling problems. Most thought that it is in the best interests of the club industry to be more proactive in this area, due mainly to marketing, economic and ethical reasons. For example, adopting a more responsible approach was seen to have benefits for the industry's reputation and public image, because it makes good 'business sense' to encourage gamblers who also make use of other club facilities, and because clubs have a moral duty of care towards their patrons. More responsible provision of gaming may also prevent an imposed approach to the issue. However, there is some reluctance to adopt such measures unless these are consistent across all gambling industries because of the potential loss of business which might result and because an individual approach may simply shift the problem elsewhere.


The interviewees readily identified a range of measures which could be taken to minimise or prevent gambling-related problems, recognising that signage, printed material, training, responsible advertising, patron education, self-exclusion programmes, referrals to counsellors, and policies and procedures for dealing with problem gamblers could play a role. However, there was very low implementation of such practices. Only one club had set of policies and procedures in place to address the issue, while another had these in the development stage. A few clubs had some piecemeal measures in place, which focused mainly on signage, referrals to counselling services, general employee welfare programs, and cheque cashing controls.

When asked if and how problem gamblers might be identified, most club managers could identify a range of indicative signs, although many agreed that none of these signs is reliable in isolation and that they are relative to a person's individual, financial and other circumstances. Many recognised the difficulties in offering direct assistance to problem gamblers unless they are willing to admit the problem themselves, while others considered that, while clubs could help, that the main issue is that the person must also want to help themselves. Concerns about legal parameters relating to invasion of privacy and anti-discrimination legislation were also considered barriers to clubs in being more proactive in helping problem gamblers.

From the above discussion, it is apparent that there is a positive general attitude amongst the club managers towards shouldering more responsibility for gambling-related problems in the

community and an acknowledgement that the club industry is insufficiently active in this area at present. The club managers appear to recognise that gambling problems are increasingly becoming a social concern and that public pressure for harm minimisation may well increase. Philosophically, there was little objection amongst the interviewees to a more proactive approach to address the issue, but there was less enthusiasm about providing funding for related counselling and research. Without a regulatory approach, it seems unlikely that widespread support would be gained for such funding unless the state government also made a major contribution.

It is also apparent that guidelines on recognising problematic gambling behaviour would be useful in helping clubs to address this issue, while the clubs' legal parameters in responsible gaming and the possibilities of a consistent approach across all gambling industries needs to be clarified if significant progress is to be made.



SECTION FIVE

ATTITUDES TO IMPLEMENTING RESPONSIBLE GAMING PRACTICES

As discussed in Section 2.4, gambling industries in South Australia and Victoria are currently the most proactive in implementing responsible gaming strategies. This section presents responses of the club managers to numerous questions designed to explore their attitudes to adopting such strategies. Six subsections discuss the attitudes of respondents to various types of industry initiatives, venue initiatives, information for poker machine players, advertising of gaming, support for gambling-related welfare and research, and adherence to legal obligations in machine gaming.

5.1 Attitudes to Industry Initiatives in Responsible Gaming

Industry initiatives in responsible gaming adopted by some gambling operators in South Australia and Victoria include industry guidelines in responsible gaming, a self-regulating code of practice, training for gambling venue staff, a cooperative approach to responsible gaming amongst gambling industries, and an industry accord to develop and periodically review responsible gaming strategies and liaise with key community groups.

5.1.1 Responsible Gaming Guidelines

There was a consensus amongst all club managers that there is a need for guidelines to be developed to help NSW clubs adopt more responsible gaming practices. Eight interviewees considered that the guidelines should be 'industry controlled, industry driven' and that the RCA or the Club Managers Association Australia (CMA) was the most appropriate body to develop the guidelines because they 'represent all the clubs', because 'the clubs...know what's happening within the clubs' and because club managers are the ones 'who are ultimately going to take responsibility for it'. As one manager stated, 'I certainly would not like to see the government come in and say this is how it's got to be done, because the government will only get it wrong'. Conversely, four managers thought that all stakeholders involved with gambling should be involved, perhaps through a joint committee or working group of representatives from club industry associations, club managers, the state government, gaming machine manufacturers, concerned community groups, problem gambling counselling and welfare services, the Poker Machine Council of Australia, the Australian Hotels Association (AHA), the TAB and research bodies. Three interviewees felt that the government should develop responsible gaming guidelines, perhaps with industry input, while two respondents considered they should be developed by industry representatives from all gambling sectors, perhaps through their respective industry associations.

Concern was expressed by some respondents over uniformity of the approach to responsible gaming amongst all gambling sectors so that there is 'a state standard'. For example, one manager who favoured the involvement of all gambling stakeholders in developing guidelines explained that 'if you go in separate groups and you have the AHA handling the problem one way, and the clubs handling it another way and the TAB and so on, the gambler that does

have the real problem, who goes from place to place, is not going to know whether he's Arthur or Martha'. Similar concern was also expressed over enforcement of such guidelines, with one respondent advocating that 'the government should formulate the policy to the point that it becomes legislation'.

While most respondents wanted to retain some degree of industry control in developing guidelines for responsible gaming, not all felt that the industry should fund it. While one manager felt such guidelines should be funded solely by contributions collected from clubs by the RCA or CMA, others considered that all gambling industries should contribute through their industry associations, while many noted that the state government should fund it from existing gambling taxes. As one respondent commented, 'you can't rip \$400 million out of an industry and say 'you've got a problem with gambling, you're not doing anything about it'. A few managers felt that a levy based on a percentage of turnover or profit could be used to raise funds, while others were very much against this idea due to the 'very substantial' recent increase in poker machine taxes and because 'ultimately when there is a tax to be paid or a levy, it goes to consolidated revenue and the people it is designed to go to, it doesn't get to'.

When asked what the responsible guidelines should contain to assist clubs in adopting more responsible gaming strategies, the following suggestions were made:

- Identifying symptoms of problem gambling.
- How to approach problem gamblers and courses of action to help them.
- Legal issues and limitations in responsible gaming.
- Advice about counselling services and contacts.
- Pamphlets and information to allow self-assessment of gambling problems and advice on seeking help.
- Signage.
- In-house policy.
- Statistics on the extent of the problem.
- Industry code of practice in responsible gaming.
- A slogan or warning, such as 'enough's enough'.

Some managers suggested that the guidelines could be modelled on those used in other states and overseas ('why recreate the wheel?'), although some pointed out that it was important to evaluate the effectiveness of such policies in terms of 'what's worked (and) what hasn't worked', rather than just copying them. Some respondents also pointed out the need for training of gaming venue staff to support any such guidelines.

When asked how well they thought responsible gaming guidelines would be adopted in the club industry, responses ranged from very positive to somewhat negative. About half the managers thought that they would be widely adopted as 'most things they do in the club industry are pretty professional' and 'the industry realises that they are needed and it's more a case of them actually waiting for them to come than being in opposition to them'. However, while many thought the guidelines would be adopted particularly in the more 'progressive' and 'professional' clubs, others thought that less professional and perhaps some smaller clubs

may be 'bah and humbug' about it. Some respondents were even more pessimistic, considering that guidelines would not be well adopted at all. As one commented, 'I think clubs can be greedy, very protective of what they've got and unless there's a real major problem hitting them in the face, I tend to think they would not look at it as well as they should'. It was for this reason that some respondents felt that such guidelines needed to be either a common, industry-based initiative or a legislative requirement before they would be widely adopted. As one explained, 'if it was put into the *Registered Clubs Act* or some sort of an Act, then we would follow it. But if you were just to leave it to the individual clubs, I think it would just go on like it is now'. Another felt that unless such guidelines were 'government backed and government pushed', 'general apathy and problems with change' would mean they would 'meet a lot of resistance'. Conversely, a few managers felt that such guidelines would only be adopted if they were 'universal in the gaming industry' with 'industry support across the board'.

5.1.2 Self-Regulating Code of Practice

All but four club managers thought that the industry should develop a self-regulating code of practice in responsible gaming. While three of these four managers supported the development of a code of practice, they expressed doubts over whether self-regulation of such a code would work as 'it seems to be a soft option', one 'that it would just subside into the background'. Another considered that 'the whole gaming industry' needed to be involved for a code of practice to be effective. Only one manager thought that a code would not work at all.

Once again, there was a diversity of opinion on who should develop and fund a code of practice. Most advocated substantial input into developing a code from the club industry, perhaps through the RCA or CMA, while others felt that input from the government, all gambling sectors, counsellors, gaming machine manufacturers and community groups was appropriate. Over half the interviewees felt that a code should be funded by the state government from gambling taxes, or jointly funded by industry, government and other stakeholders.

Suggestions for the content of a code of practice in responsible gaming comprised:

- Policies and procedures.
- Public education materials, such as posters, leaflets.
- Definition and recognition of problem gambling.
- Symptoms of problem gambling, perhaps via a checklist.
- Procedures for approaching and helping problem gamblers.
- Referrals to counselling and welfare organisations.
- Legal implications and parameters.
- Self-exclusion options.
- Family involvement.
- Training.

- Availability of people at the club to assist.
- Extent of the gambling problem.

Again, some managers felt that there were valuable models in other jurisdictions which could be drawn upon to develop a code of practice.

Four club managers felt that such a code would be well adopted in the industry, with one commenting that 'they are screaming out for it now. I think that it will be adopted as soon as it is put out'. However, many respondents were more circumspect, commenting that 'knowing the industry, it adopts things but doesn't enforce it', that it 'will be very difficult for clubs to deal with because clubs derive so much of their income through poker machines', and that 'a lot of clubs would see it as a danger'. Others felt that how such a code was presented to the industry would determine how well it was adopted. For example, some felt that as long as the industry was involved in formulating a code, it would be adopted, but that 'if it was just slam bam from the government saying this is the way we're going to do it, you'd get a lot of negativity'. Other respondents reiterated the need for a code to be legislated 'if they're serious about it', either under an Act or as a condition of licensing, whereby 'if you want gambling facilities, you should be responsible enough to put in a program. It's as simple as that'. This underpinned concern that some clubs would otherwise only pay 'lip service' to a code, that 'some clubs may adopt these practices but do nothing else, (while) others would actually utilise resources to implement them'.

5.1.3 Management and Staff Training in Responsible Gaming

While one manager stated that he was not qualified to judge whether there was a need for training in responsible gaming, the remainder all agreed that extensive training was necessary. It was generally agreed that training needed to include all gaming managers and staff, starting 'from the top and go(ing) right to the bottom'. However, a few managers insisted that only managerial staff should be trained 'because it is a judgmental situation', 'far too grey an area', and because of the high reliance on casual staff who might be 'well intentioned but...can completely misconstrue the whole area of responsible gaming and...create a lot of problems for themselves, their organisations and...even end up with a defamation suit'. However, the majority thought all staff should be trained, because 'the last thing we need is untrained people - management or other - going up to someone and saying you've got a problem'. Many pointed out that operational, front-line staff are in the best position to identify problem gamblers from their 'day to day contact' with patrons, but that they should be trained in awareness and identification only, referring the issue to senior management to approach and help the person.

When asked who should develop and fund training in responsible gaming, all responding club managers stressed the need for the club industry to be involved, to either wholly develop and fund training, or with input and funding from the government as well as other gambling industry sectors and stakeholders. Some mentioned that the RCA, CMA or Club Management Development Australia (CMDA), perhaps in conjunction with TAFE, would be best positioned to develop and deliver training which could be tax deductible, provided in-house through zone educational officers and accredited through the Australian Hospitality Review Panel (AHRP). Others suggested that training in responsible gaming could be run along similar lines to responsible service of alcohol training, which is mandatory, tax deductible, paid for by the clubs and accredited.

Suggestions for the content of a training programme in responsible gaming comprised:

- Information kits.
- Policy procedures.
- How to develop a house policy.
- Why problem gambling occurs.
- Types of gambling-related problems.
- Approaching, handling and treatment of problem gamblers.
- Symptoms of problem gambling.
- Benefits of helping problem gamblers.
- Guides for gamblers.
- Signage.
- Providing an in-house counsellor or contact for problem gamblers.
- Where to refer problem gamblers to for help.
- Limitations and spheres of responsibility to operate within.
- Building empathy for problem gamblers amongst staff.
- Awareness of privacy issues.
- Responsible promotion of gambling.

Nearly half the managers felt that training in responsible gaming would be well adopted, but seven also thought that it would need to be made compulsory like training in responsible service of alcohol. Otherwise, 'if it's left a sort of token thing...they (would) put up signs and forget about it', only 'a small minority of clubs would expend resources to implement a training programme effectively', and 'you would just get that apathetic attitude throughout the industry and if they are not made to do it, they just don't do it'. Other interviewees pointed out that training should be compulsory across all gambling sectors and that the industry needed to have some input into the development of training programmes for them to be widely adopted.

5.1.4 Cooperative Approach to Responsible Gaming

When asked if they thought industry initiatives such as guidelines, a code of practice and training in responsible gambling should be developed cooperatively amongst all gambling operators in the state, most managers answered in the affirmative, considering that 'there should be one rule for all and one basic code of practice'. As well as encouraging a uniform approach to the issue, such cooperation would also consolidate expenditure to provide 'proper funding for a realistic, consistent and cohesive programme' and provide 'opportunities to learn from each other'. However, one manager felt that while an overarching policy is needed, each industry may need to develop its own house policy to suit individual circumstances. Only two respondents felt that each gambling sector should develop entirely independent strategies, due

to 'different types of clientele' as 'each individual market is different', and 'because of the (different) gambling stakes and different environments'.

However, a number of barriers to a cooperative approach to responsible gambling amongst the various sectors were identified, related mainly to competitive rivalry between the sectors. Some indicative comments included 'natural competition within the industry', 'power struggles' between the sectors, 'different agendas', 'protection of interests in their gaming income', that 'the clubs and the hotels are on a bit of a collision course', and that 'the profit driven sectors could look at this initiative as another reduction of their profits'. It was for these reasons that some respondents felt that the government needed to step in and either legislate, or at least organise for all sectors to work cooperatively on the issue. As one respondent explained, 'I think the operative thing would be government legislation, or the government getting the industries together across the table, saying you've got to be friends, (you've) got to work together'.

5.1.5 Gambling Industry Accord

About half the interviewees approved of the idea of an industry accord to develop and periodically review responsible gaming strategies and to liaise with key community groups. Benefits of such an accord were seen to be shared responsibility, learning from others' experiences, a way to involve community groups and increased effectiveness in dealing with regulatory, economic, technological and product changes in gaming. However, other managers qualified their agreement to an accord with concerns about the types and agendas of community groups involved. As one explained, 'you would need to be very careful (about) the structure of those key community groups to see who they were made up by and, if they were made up with a strong anti-gaming core, (this) could create some difficulties'. Others pointed out that while an accord sounds 'good in theory', it would be 'very time consuming' and may be 'difficult in getting off the ground'. Others were unsure of their support for an accord, considering that each sector needs its own guidelines. One manager thought that 'it's an individual's problem (so) they should really be able to work out some sort of counselling themselves'.

5.2 Attitudes to Venue Initiatives in Responsible Gaming

Venue initiatives in responsible gaming adopted by gambling operators in South Australia and Victoria include house policies, increased staff awareness of problem gambling, procedures for dealing with problem gamblers, self-exclusion programmes, measures to restrict access to cash including a cooling-off period for big winners, controls on cheque cashing, EFTPOS and automatic teller machines (ATMs), and restrictions on employees playing machines or accepting tips from players. The interviewees were asked their opinion on adopting these measures in NSW clubs.

5.2.1 House Policies in Responsible Gaming

The majority of managers agreed that clubs should develop a house policy on responsible gaming. Two managers favoured an industry-wide policy instead. Of those who approved of a house policy, suggestions for its content included:

- Mechanisms for increasing awareness and detection of gambling problems, such as identified 'warning signs'.
- Mechanisms for increasing empathy for problem gamblers, 'being able to be adaptive to that person to understand what the problem is and then help work with them'.
- Internal chains of command for notification and dealing with problem gamblers.
- Referrals to welfare and counselling services.
- Self-exclusion programmes and procedures.
- Signs and slogans, such as 'enough's enough' inside the clubs and in club newsletters and bulletins to members.
- Prevention of credit betting.
- Limits on cheque cashing and use of EFTPOS.
- Restricted access to gaming terminals for identified problem gamblers.
- Setting standards for education in responsible gambling.
- Advice on promoting machine gaming to 'social' rather than 'problem' gamblers.

One manager suggested that two house policies would be needed - one a 'general statement' for public display, and the other a 'specific statement of what action to take' for internal use by staff. Another pointed out that liaison with gambling counsellors would be beneficial in developing a house policy which was 'tried and tested'. Another felt that 'all policies need to have some bite behind them', similar to the fines imposed for breaches of responsible service of alcohol legislation.

5.2.2 Staff Awareness of Gambling Problems

All managers who responded thought that clubs should ensure their staff can recognise signs of problem gambling, with some commenting that supervisors and gaming staff would already be aware of people with gambling problems through observation and regular contact. One manager, however, felt that while everyone in the organisation should be aware of the club's house policy on responsible gambling, only one or two 'hand-picked' people in the club should have the primary responsibility for meeting the 'needs of the situation'.

Most managers felt that training in recognising signs of problem gambling and awareness of legal parameters was needed to help increase staff awareness of problem gambling, accompanied by general guidelines on warning signs, house policies on procedures to take, signage within the club and a referral system for those needing help.

5.2.3 Procedures for Dealing with Problem Gamblers

When asked what clubs should do if a patron admits to having a gambling problem, a range of suggestions were made:

- Suspend cheque cashing facilities.
- Impose a cooling-off period after wins.
- Voluntary self-exclusion from the club/relinquishing membership.
- Find out what the person wants to do about the problem and 'give them full support'.
- Information and referral to counselling.
- Prevent gambling until assistance is sought and the person has regained control.
- Counsel them.
- Report to the board and inform the patron by letter that they cannot play gaming machines in the club.

Most managers were wary of their legal limitations in taking action to help problem gamblers without their consent, recognising that they could only help if the patron was first to 'gain ownership of the problem, recognise it and admit it to themselves'. Recognising the 'confidentiality' and 'sensitivity' of the issue was also considered important, as was avoiding breaches of anti-discrimination legislation and 'getting in the middle of a family squabble' if family members and not the gambler sought help.

Eleven managers cited instances at their club when patrons had sought help for gambling problems. Responses to this situation included:

- Direction to one person in the club responsible for dealing with the issue.
- Self-exclusion from the club.
- Restriction of the patron's membership to prevent them from playing machines.

- Organised repayment schedules for dishonoured cheques to the club.
- Given contact names and numbers for counselling.
- Counselling the patron.

Most of the managers perceived these measures to be effective, but some admitted that they did not know whether the person continued to patronise other gambling venues.

While only four of the eleven club managers had excluded or restricted gambling access to self-admitted problem gamblers, the majority of managers agreed that problem gamblers should be barred from playing poker machines, but only if they admitted the problem and requested to be excluded. Concern was raised that, unless there was a standard approach to dealing with problem gamblers, 'barring them without their approval will just lead them to another gaming venue, maybe one less willing to help'. This would mean that 'you've passed the buck' and 'haven't solved the problem...you've just moved it elsewhere and lost your revenue'. Another manager pointed out that self-exclusion should be only one strategy in an overall rehabilitation programme 'to deal with the root of the problem'.

When asked how an exclusion programme might be implemented, most managers reiterated that it would need to be voluntary, that they would seek an agreement from the patrons in writing, request that they hand in their membership card or seek a court order, and that they would then inform staff of the exclusion by way of a list of names or photographs. If such persons were later found in the club or found playing poker machines, then management would remove them or, as one suggested, 'just nicely tell them they are not allowed to be playing the machines because they requested it'. One manager explained that, once a person has been self-excluded at his club, a seven day cooling-off period is imposed before the club will reconsider whether that person should be allowed back if they so request. It was felt that seven days was sufficient time for the person to 'be able to think about it'.

However, some potential problems were mentioned in implementing a self-exclusion system. These were that it would be difficult for staff to monitor and identify barred persons entering the club and playing machines, particularly since the introduction of note acceptors so that people do not have to use change facilities; that even if patrons voluntarily resigned their membership they could easily join again under another name and gain access; and that such a system would be ineffective unless cooperation from all gambling venues in the area was obtained which 'would be almost impossible in Sydney where there are so many pubs and clubs...it just wouldn't be known who you are'. Another manager stated he would need legal advice on the right of clubs to exclude members. His understanding of the legislation was that members have a right to enter the club and use its facilities and should anyone try to make the person leave, they could be charged with assault. One manager felt that the idea of a self-exclusion programme was 'garbage' as excluded patrons would just gamble elsewhere.

However, while most club managers would implement a self-exclusion programme, many were more reticent about promoting it. One manager stated that 'it wouldn't be in my best interests', while another explained that there was 'no need to advertise it'.

The situation was considered more complicated if a family member requested that a patron be barred. In that circumstance, the managers suggested that the club should firstly find out if the patron was aware that a family member was approaching the club to seek exclusion, that the family member be given information on how to help the person, that management speak to the person and advise him/her of the family's concern, that they should refer the person to counselling, and that they should try to convince the person that self-exclusion would help.

Only one manager considered that his board would bar a patron solely on request from a family member.

5.2.4 Access to Cash for Poker Machine Players

When asked if they thought clubs should encourage big winners to take payment by cheque rather than cash as a way of encouraging a cooling-off period, most interviewees disagreed. As one explained, 'just because there are big winners does not mean they have a gambling problem' nor does it 'mean they have invested a lot of money'. Another explained that some big winners 'would be quite clear in their mind about what they are going to do' and so invest their winnings in a 'planned' way. However, another explained that 'as a manager, the best way of getting your money back is to give it to them in cash', and another that 'we tend to push cash because we tend to think maybe we will get some of the money back and that's what we are all about. We're here to make money'.

However most clubs had procedures in place for security reasons whereby big winners were offered cheques rather than cash. Many interviewees were concerned about the personal security of patrons leaving their club with large amounts of money, while cheque payment also protected the club against machines malfunctions, illegal activity or in case staff paid out the wrong amount. Some clubs had a house policy whereby wins over a certain amount were paid only by cheque. This amount varied from \$1,000 to \$10,000. In other clubs, big wins were paid partly in cash and partly by cheque. Other clubs did not enforce such a policy, but tried to encourage players to accept a cheque for sizeable wins or to return the next day to collect their winnings. As one explained, he advises winners that '50 other people have seen you win this money (and) you're walking out into the dark'. Two managers explained how their clubs provide security when big winners are ready to leave, either by calling them a cab, taking them home or escorting them to their car 'so there are no worries about them getting mugged on their way out'. Other managers noted that progressive jackpot payments of \$100,000 must, by law, be paid by cheque. However, one interviewee noted that, despite having a policy of paying big winners by cheque, 'the only time we'd pay cash would be if the person is one that we know has put a substantial amount of money in the machine and (is) obviously a high stakes punter'.

A number of managers pointed out that most patrons, '99.99 percent', wanted to be paid in cash, because 'they have a right to that money', they want to 'recycle it' or 'they want to walk out the door with it'. One manager believed that some people, particularly the elderly, wrongly thought that winnings were taxable and so insisted on cash so 'they can hide it'. He pointed out that this could be a useful part of an education process.

Thus, while most clubs had procedures for encouraging big winners to accept payment by cheque, this was for security reasons rather than to deter over-spending. As one interviewee explained, 'whether a player would need a cooling off period in respect of a gaming problem would need to be taken on a case by case basis. This, however, would leave the club open to charges of discrimination'. Another manager noted that a cooling off period may not be effective as, with the 'propensity for cancel credits not jackpots...large wins are played back into the machine rather than cashing (them)'. He suggested that perhaps lower limits should be set on machines before they 'lock out' after a jackpot so as patrons can 'evaluate if they want to keep playing'.

The club managers were also questioned about club policies and procedures for credit betting, cheque cashing and use of EFTPOS and ATMs. All managers recognised the illegality of

credit betting and had strict procedures in place to prevent it. These included staff training and regular reminder memos, use of EFTPOS or credit cards only for payment for meals, entertainment, membership fees and the like, restrictions of ATMs to those which accept debit transactions only, cheque cashing controls and policies against borrowing money.

Controls on cheque cashing appear to have been progressively tightened in the clubs. Policies in place included:

- No cashing of cheques allowed.
- Restriction of cheque cashing facilities to members only.
- Presentation of membership badge, personal details and photo identification with the cheque
- Entry of cheque cashing transactions in the membership file.
- Limits of amounts cashed, ranging from \$50 to \$2,000.
- Limits on the number of cheques cashed per day (eg: 'three transactions...in three days', five cheques of \$200 per day).
- Suspension of cheque cashing facilities if a cheque is dishonoured.
- Approval of cheque cashing by senior management.
- Use of tele-chequeing systems which accesses customer accounts to ensure sufficient funds are available.
- Confidential listing of people at the cashier who are not allowed to cash cheques.
- Cheques must be made payable to the club.
- Patrons cannot change the amount on cheques once cashed.

Most of the clubs only allowed members to cash cheques, although some had ceased cashing any cheques. One club had ceased cashing any cheques because management was concerned people were cashing cheques specifically to play poker machines and the club had been advised against cashing cheques by the Department of Gaming and Racing. Another manager explained that his club had terminated cheque cashing facilities because, despite having a database of all members details, 'people would come in and join the club for \$10, cash a cheque for \$150, and that's pretty good change'.

While most clubs provided EFTPOS facilities, some allowed its use only to pay for goods, meals, entertainment and fees, and did not allow cash to be withdrawn. Other managers noted that the banks impose a limit on cash withdrawals anyway and that the person must have the funds available to withdraw cash.

Seven of the clubs had ATMs in the gaming machine rooms (as one manager said, 'slap bang in the middle of the pokies'), while others provided them in the foyer or other areas of the club. As one manager noted, his club had moved the ATM out of the gaming room as 'a caring sort of move' so that patrons 'literally have to walk away from the machines to get more money, and if they're closer to the door, they may be closer to a wiser decision, but that's still up to them'. Three of the smaller clubs had no ATMs. The clubs which provided ATMs relied on the banks' limits on the amount of cash which can be withdrawn.

5.2.5 Staff Involvement in Gambling

Only three clubs had policies or regulations which prevented staff accepting tips from poker machine players, although many noted that they do not allow employees to 'go soliciting for it'. Other managers pointed out that they could see no dangers in staff accepting tips 'providing there is no compromise there'. The only danger in the practice was identified as the situation where a patron had gambled all available cash and then approached a staff member saying 'remember that time I gave you a tip...would you mind doing that in return'.

Concerning staff participation in machine gaming, all clubs prohibited their staff from playing machines while on duty and during work breaks, with many also prohibiting staff use of machines while in uniform. A few clubs gave employees half an hour after the end of a shift to leave the premises. Six clubs prohibited their staff from playing machines in the club at any time. As one explained, 'it doesn't look good for an employee to have a big win over patrons', as this might lead some patrons to think the machines are 'programmed'. One club which allowed employees to play machines when off duty prohibited them from entering associated promotions. A few clubs did not even allow staff to be members of the club. However, as one manager pointed out, 'in country areas...it would be a fairly tough rule to apply on the individual who lives in a town where the X Club was probably the only major venue they'd want to patronise'. However, the majority of clubs allowed staff who are club members the same rights of any other members when they are off duty and not in club uniform, considering that in their own time 'they revert back to being a member and we have no control over that'.

When asked what proportion of staff played poker machines regularly, that is about once a week or more, answers varied from 5 percent to 70 percent. Naturally, managers of those clubs which do not allow their staff to play machines in the club were unable to answer this question.

5.3 Information for Poker Machine Players

A key element of responsible gaming strategies in some other Australian jurisdictions is the provision of information for players outlining how gaming machines work and how to play so as to maximise enjoyment and minimise risks of excessive gambling. Signage, player information in brochures, and dispute handling procedures are the main vehicles for this information.

5.3.1 Signage

There was a consensus among all club managers interviewed that signage could be used effectively to encourage responsible gambling, although some expressed concern that people do not usually read signs, particularly in gaming areas where 'there are so many things happening'. Others pointed out the importance of making any signage 'simple to read and comprehend', consisting of 'a catchy slogan', 'a clear, concise message' or perhaps 'four or five main points to trigger the patron to enquire further'. While some managers felt that signage needed to be 'eye-catching' and 'strategically located' in gaming areas, at the change counter and between machines, others felt a more 'discreet', 'non-intrusive' approach more appropriate. This might include leaflets on site, cards which can be given to those who might

have a gambling problem and flyers distributed to members. This approach would prevent the impression of 'someone in their face accusing them of having a problem'. As one manager commented, 'obviously you don't want a great big poster, because...they'll say, there's a problem in this club'. One club manager felt that signage would meet a 'terrible lot of resistance', while another felt that he would have to think about it carefully as 'most of the revenue that comes from clubs comes from poker machines'. Generally, there was broad agreement amongst the managers that if signage was a required part of policy, they would comply, although there was a range of opinions on how prominent such signage should be.

Suggestions for types of signage included:

- A leaflet with a checklist of indicators of problem gambling.
- Contact details of counselling services, particularly a telephone number.
- Reminders to players to 'enjoy themselves without overextending', like the casino slogan to 'bet with your head, not over it'.
- Flyers to members.
- Inclusion of referrals numbers for counselling services on poker machine rules.
- Contact name of a club employee who can assist.
- House policy on responsible gaming, outlining the aims of patron care.
- Printed cards with relevant information.
- Messages on poker machine screens which players must scroll through.

5.3.2 Player Information on Machine Features

Information for players on how gaming machines operate has been an important element in responsible gaming strategies in other states. Such information explains chances of winning and losing, how different features of machines affect bet size, and how payouts occur.

The majority of club managers interviewed agreed that most patrons are sufficiently aware of their chances of winning and losing on poker machines, that it is 'common knowledge' that 'they don't have a great chance of winning', that 'they are not going to get all the money back that they put in'. However, many commented that numerous patrons do not completely understand how this is determined and there is lack of understanding of both the chance nature of the game and the way payback percentages are set.

In relation to the chances of winning and losing, one manager explained that he didn't think patrons understood that machine payouts occur on a random basis, returning a particular percentage *over time*. When he explains to patrons who enquire that his club's machines are set to pay back 90 percent, they'll say 'well, I've put in...\$100, and didn't get \$90 back'. Another explained that 'I don't think they can understand that it can pay out \$20,000 one month and next to nothing the next, and still be okay over a 12 month period'. Another contended that 'I don't think that they do understand the game of chance and the fact that every gambling house, whether it be a casino, club or whatever, has to work on the basis that the higher the volume, the more that will eventually come to the house. That's the nature of gambling. It is a case of diminishing returns.' Another manager went further by explaining that 'part of the marketing of gambling is to convince the participant that some skill has been used...Advertising to convince the patron that the chance is random may not be believed and would not be an accepted promotion by an operator'.

In relation to how payback percentages are set, many interviewees commented that, while most players have a general understanding of this concept and that 'if you change the percentages or cardings, people are very perceptive, they'll notice the variance', 'there are definitely some people who think they're rigged'. One manager explained that he sometimes receives comments that 'you have tightened up the screws on this one' and that 'some people do honestly think that we go about each day and re-calibrate the machines'. Another commented that 'we do have a few people who think that I sit in my office all day everyday, and as soon as they get a pay, I push a button and they don't get anymore pays'.

However, a few managers contended that understanding how machines work is not particularly important, as players 'are willing to take the risk for entertainment value' and that 'most of the people coming here are buying time...it's a leisure activity. It's not winning or losing; that's just a by-product of it'. As one explained, 'when people complain about losing money on poker machines, it's not that they've done a certain amount, it's how long it's taken them to do it'.

There were mixed opinions amongst the managers when asked if they thought clubs have a responsibility to make information about how machines work more accessible to players. At present, some clubs do publicise their payback percentages as a promotional strategy, and most managers will explain this to patrons if asked or if a patron complains about losing, although, as one said 'they don't believe you'. Some interviewees felt that publicising payback percentages was not 'worthwhile' and would not make any difference, and that it 'would be more beneficial to clarify curiosity than to stop someone being a compulsive gambler'. However, some could see both advantages and disadvantages of publicising percentage returns. On the 'pro' side, it would 'get rid of the misconception of the magical screw' and

could be used for promotion, but on the 'con' side, it may raise expectations that a certain percentage will be paid back to all players during every playing session. There was a major concern amongst many managers that, if percentage paybacks of machines were publicised, then players might expect that they would receive a guaranteed return for every dollar bet. As one explained, 'a little bit of information can be dangerous' and another that 'patrons should have the right to know the percentage return that machines are set at. However, there would need to be an understanding by the player that this is a theoretical percentage only, and that a particular machine will not operate to percentage in the short term'.

Another concern raised was the inequity of publicising payback percentages from poker machines, without other gambling operators being required to do the same. As one manager explained, if 'we're going to run an advertising campaign and...explain to people that...you're only going to get 90 percent return, let's do the same with Lotto and say you're only going to get 60 percent return, 75 percent on keno and 85 percent on horses'. As he pointed out, 'poker machines are one of the highest (percentage paybacks) outside the table games at the casino'.

When asked what mechanisms might be used to make information about how machines work more accessible to players, suggestions included:

- A general information leaflet.
- A facts sheet in club newsletters.
- Publicising percentage paybacks on each machine.
- Signage.
- Articles sourced from the media on percentage paybacks which could be reworked by the RCA or CMA and displayed in the club.
- In the club's annual reports.
- On a demand basis, whereby club staff 'would have the opportunity to explain more fully the carding so that the players don't get only half the story'.

Another aspect of poker machines which has the potential for being misunderstood by players is how various features, such as machine denomination, tokenisation, multi-line features and multi-game features, can influence the amount bet. When asked if players are sufficiently aware of how these features can alter their wager, most managers recognised the different level of understanding between regular and novice players. Most agreed that regular players are 'very aware' and as one explained, they 'know more about the machines than you do...They are like little mathematicians themselves. They know exactly how much they have won before it even happens'. Even with advancements in machine technology other managers contended that 'the change is minimal', 'it isn't a complicated process', 'they must realise it' and 'it doesn't take them long' to understand how the machine operates. However, novice players or those who play infrequently may not understand or 'wouldn't have a clue' and 'they might get caught a few times' Another manager had noticed that some older players 'tend to stick to the machines that they know'. However, most managers felt that 'the vast majority' or about 'three-quarters' of players had a good understanding of machine features, while others pointed out that novices can always ask floor staff to explain how a machine operates.

When asked if they thought that clubs had a responsibility to make information on machine features more accessible to players, some managers felt that this was the machine manufacturers' responsibility and could be part of their legislative requirements. One

interviewee suggested that the manufacturers should standardise screens as 'it would be impossible to give written guidelines as there are six different manufacturers and a wide variety of features that are constantly changing'. Two managers were concerned that contemporary machines explain features and prizes only through a help screen which the player may not choose to access or which are 'only useful for the computer literate'. However, other managers felt that the information already provided on machines was sufficient. They relied on staff becoming acquainted with the features of new machines so that they could answer any patron queries. However, two managers felt that it was the patrons' responsibility to 'review the artwork and the machine features before spending their money', while another felt that providing clearer or more accessible information would serve no purpose as players are 'blissfully ignorant, (wanting) just to sit in front of the machine and vegetate and play'. One manager went further to contend that 'part of the entertainment value of the games is to work out why you won. Advanced, clear information may reduce the attraction' and another that providing this information is 'probably part of encouraging people to play machines'. Even for those clubs who agreed with the idea of providing patrons with more information about machine features, major barriers were identified as the rapid changes to machine features, the number of different types of machines in most clubs, and the large numbers of employees who would need to be familiar with all machine features. It was for these reasons that many of these interviewees felt that the machine manufacturers were better placed to provide this information, either on the machines themselves or in brochures which the club could display.

Very similar responses to those above were given by the managers when asked if they thought players understood how payouts occur on machines. Only one manager felt that 'they wouldn't have a clue'. Most interviewees felt that players were familiar with this, especially given that 'in NSW, poker machines have been part of the culture for over 40 years'. Most agreed that 'it would be rare for a patron not to have a basic understanding' and that 'they will tell you if they think they're getting ripped off'. Again, most managers felt that their floor staff would be able to answer any queries and that providing further information was the responsibility of machine manufacturers and the government which approves machines.

5.3.3 Player Information on Machine Malfunctions and Disputes

Responsible gaming strategies in other states also address the issue of consumer protection against machine malfunctions, and procedures available in case of a machine-related dispute. All club managers interviewed were confident that poker machine players are sufficiently aware if a machine has malfunctioned or short-paid them, and they saw little need for increased information. Mechanisms already in place to alert patrons to machine malfunctions were identified as poker machine rules displayed in gaming areas and lock-up mechanisms on malfunctioning machines. Preventative maintenance, on-site technicians, fault books, and regular machine cashflow and other types of analyses help prevent malfunctions, while the availability of call buttons on machines and having adequate floor staff allowed patrons to easily query a result. All clubs simply turn a machine off and display an out-of-order sign on malfunctioning machines until they are fixed.

All clubs have a set procedure to be followed in case of a poker machine related dispute. Generally, this consists of a chain of command among club staff to deal with the problem, depending on the amount of money involved. If the problem cannot be resolved on the spot, player details are usually gathered, the dispute details entered into a book, the club performs a cashflow analysis and the player is then notified of the outcome. In serious cases, the manufacturer is called upon to issue a full report on the performance of the machine.

Numerous managers also mentioned that, in cases of disputes over small amounts of money, the club will pay the player anyway, to 'save face' and for 'PR' reasons, particularly if the patron is a 'really good customer'.

With the advanced technology of modern machines and their ability to replay the last game, poker machine related disputes are becoming less common. The frequency of such disputes varied among the clubs from 'two or three times per week' to 'twice in six years'. Such a large variation in responses is probably because very minor disputes are handled by floor staff and do not come to the attention of management. As one manager explained, 'it is fairly rare for a player to make a dispute or complaint over a poker machine that can't be immediately resolved by the staff in attendance or by an analysis of the machine the next day'. Because of the infrequency of major disputes that cannot be resolved in-house, all but one club manager considered that there was no need for an independent disputes resolution body to deal with poker-machine related disputes or unethical practices in poker machine gaming. One manager described the idea as 'overkill', while others explained that recourse already available to players through club management, machine manufacturers, the Liquor Administration Board (LAB) and the court system provided sufficient avenues for resolving disputes.

5.3.4 Player Information on Preventing and Recognising Problem Gambling

In addition to providing information for players on how machines operate, some gambling venues in other jurisdictions provide advice to patrons on budgeting their poker machine expenditure, how to recognise if they have a gambling problem and how to act on it.

When questioned about the ability of most players to budget their money for playing poker machines, the majority of club managers were confident that most players could control their expenditure within pre-planned or manageable limits. While some players do spend more than intended, 'they don't get carried away excessively' and this over expenditure is considered 'human nature' and is limited to fairly small amounts when players feel that they are 'on a roll', when 'their heart overrules their head' and when they 'know I'm going to get a win'. , Other managers recognised that extreme or persistent lack of control by players was a sign of problem gambling, but that this affected only a minority of players. Other managers were adamant that they had no right to advise players on how to spend their money as this was an individual player's responsibility. As one argued, 'I don't think we, as operators, should become sheriffs' and another that 'who am I to tell them how much they should or shouldn't put in and...further to that, how the hell am I supposed to know?'. Even more strongly worded opposition came from one manager who responded with 'do we teach them to wipe their bottoms?...This is censorship'. Another manager queried 'who judges spending more than planned? Most people do this when they go shopping', while another queried whether spending \$50 on poker machines was any worse than spending \$50 'on a shirt they don't really need'. Numerous managers pointed out the difficulties of establishing appropriate budgets and monitoring players expenditure. One stated that 'not knowing the person's financial circumstances, how can you?' and another that 'I don't know how you would detect...whether a player is overdoing it'. One manager was concerned that 'if you limit how much they can spend, you'd probably find a downturn'.

Many interviewees felt that, given the possible inappropriateness and perceived difficulties of helping patrons budget their gambling money, their clubs already have sufficient controls in place to minimise uncontrolled gaming expenditure through limits on cashing cheques and prevention of credit betting. However, displaying warning signs and slogans to remind players to 'bet with their head, not over it', as well as information through internal magazines

and pamphlets as part of a player education process, were suggested ways of assistance in this area.

When asked if they thought that players can sufficiently recognise if they have a gambling problem, most interviewees agreed that while signs such as not being able to pay bills or buy food would be obvious, many problem gamblers would be in self-denial and that 'the hardest step is the person firstly acknowledging they have a problem'. Many managers likened the situation to that of alcoholics who 'know in their own heart they have a problem, but they don't acknowledge (it)' and who 'if they saw it in another person they would recognise it, but within themselves, they tend to look away' because 'it gets them so bad that they can't help it'.

Ways in which the managers thought that clubs could help patrons recognise a gambling problem included:

- Staff training to recognise problem gamblers and pass on information about assistance.
- Displaying checklists to allow people to self-assess a problem.
- Displaying memory jolts through signs such as 'are you spending excess money?' and 'do you have enough money to buy lunch?'.
- Checklists and advice within pamphlets.

However, a number of barriers were perceived as limiting the clubs' ability to help patrons recognise a gambling problem. Firstly, many managers felt that there was little a club could do unless the player firstly acknowledged and was willing to confront the problem. Secondly, clubs are often not even aware of who might have problems, as with note acceptors on some poker machines, 'they come in with the money, they go out with no money, so you've got no way of detecting whether they have got a problem'. Thirdly, privacy rights of patrons would preclude a confrontational approach, meaning that the provision of 'passive information' would be the most appropriate form of assistance.

Over half the managers thought that players were not sufficiently aware of what to do if they thought they had a gambling problem, 'basically because the industry hasn't made any awareness' and 'we don't provide any information'. Of those who thought that players knew where to seek help, Gamblers Anonymous, Lifeline, the Salvation Army and the Presbyterian Church were mentioned as organisations which 'everyone is aware of'.

The majority of interviewees considered that clubs have a responsibility to make information about help for gambling problems more accessible to patrons. Suggestions for this were by brochures, posters, stickers, advertisements in club magazines, as part of a displayed house policy, handouts at the front desk, notices on machines, community advertising paid for by government, personal advice from staff and as part of a patron information kit on machine gaming. Similarly, most club managers had no objection to notices in their club advising patrons of a telephone hotline service for problem gamblers, although two managers felt that these notices needed to be displayed 'discreetly' and 'subtly'.

5.3.5 Player Information for Non-English Speaking Patrons

None of the clubs currently provide any of the above types of information in languages other than English. Many managers pointed out that the number of NESB people visiting their

clubs was very small and that they had experienced no communication problems. However, a minority of the clubs do get a reasonable proportion of their patronage from NESB people. However, as the manager of one such club explained, 'the universal word is money...They might say to you 'don't speak English', but when it comes to money, they know it'. Another manager of a club with 'about 25% of our membership of Asian origin' stated that 'we don't have any other languages represented here because the official language in Australia is Australian English, so we don't have to have it'. One manager felt that because most signage is 'number related and picture related' that this provided a 'common language'. However, a few clubs were planning measures to provide more NESB communication. One club was attempting to employ people from NESB to provide information, while another had two staff learning Mandarin. Other managers pointed out that, amongst their large staff, there was usually someone who could converse with a NESB patron and that, as NESB patrons often visited the clubs in groups, there was generally someone in the group who could interpret if need be. Other managers were concerned that with the diversity of ethnic groups, especially in Sydney, 'you would have to have (information) in 30 different languages'.

5.4 Poker Machine Promotion

Responsible gaming strategies in Victoria include an advertising code of ethics to deter false, misleading or deceptive advertising of machine gaming; to ensure such advertising is in good taste and targets audiences of 18 years and over; and to discourage association with excessive alcohol consumption in gaming advertisements. The sample of club managers were asked to describe their club's poker machine advertising, whether poker machine advertising by the club industry in general is appropriate in its content and message, and whether they thought there needed to be restrictions on such advertising.

5.4.1 Current Poker Machine Advertising Practices

When asked to describe the main content and message of any poker machine advertising carried out by their club, many managers drew a clear distinction between external advertising practices and in-house poker machine promotions.

The extent of external advertising undertaken by the clubs ranged from weekly, full-page advertisements in the local paper, along with television and radio advertisements, to flyers distributed to local households, to regular club magazines and newsletters sent just to members. However, most interviewees considered that their club concentrated on advertising the whole concept of the club, rather than focusing predominantly on poker machine gaming, with the main intention being to keep people aware of events at the club and the services it offers. As one manager explained, 'it's all about getting people in the club', and another that his club's advertising aims to 'get them in to drink and eat, and we feel that the people, while they are already here...will go into the gaming side of things'. Another manager further explained that, 'if you just advertise pokies on their own, it means nothing these days', while a second noted that 'people know the club's got poker machines. They know we've got gambling. Tell them what they don't know'. However, while few clubs advertised their poker machine installations *per se*, all advertised the various poker machine promotions conducted by the club, at least in-house. One interviewee described this as 'dangling the carrot to the donkey...(We advertise) what you win, and to win it you have to play the poker machines'. Another considered that, while gaming is not the current focus of his club's advertisements in the local press and various Asian newspapers, 'it should be'.

All clubs however, conducted numerous in-house poker machine promotions which they publicised through various media, communications with members and within the club itself. Such promotions generally include entry into draws for major prizes or cash for spending a certain amount on poker machines, and other bonus and loyalty systems. The importance of such promotions in 'trying to encourage patrons away from our competitors to come here and play our poker machines competitively' was stressed by one manager, while another noted that 'we try ...to gear our promotions towards poker machines, but also other areas, but that's our income and we do aim our marketing at that, no doubt'. Other interviewees also emphasised the importance of poker machine promotions as 'that's the big dollar', 'that's the major cashflow' and 'there's no doubt it's all linked to gaming machine revenue in the long run'. As one manager noted, 'internally, I think that clubs market the machines fairly aggressively'.

When asked if poker machine advertising by the NSW club industry in general is appropriate or if any changes should be made, there were very mixed responses. A number of interviewees cited particular examples of club advertising which they felt were inappropriate in that they advertised gaming 'very heavily', that 'all they do is advertise their promotional games', and that particular clubs were 'concentrating on that specific market which is gambling' by advertising the 'highest return to players' or that 'x amount of turnover through their machines paid out x amount of dollars'. However in general, most club managers considered that the industry was promoting poker machine gaming responsibly, as part of the total package of entertainment offered by clubs, although there were some exceptions. However, two managers felt that clubs adopted this style of advertising largely out of self-interest. One explained that 'most managers realise...it's not in our ethos, it's not part of our upbringing, to say 'I'm going to the club to play the pokies'. You have to say you're 'going to the club to listen to the band', and then you go to the club and you actually play the pokies or keno...They don't even use the band. They go to play the pokies'. A second manager contended that 'the last debate between the hotels and the clubs, how the clubs were so protective of poker machines...was very bad hype...because it really brought a lot of emphasis on how much money...the industry and governments make out of poker machines'. Thus, it was not seen in the club industry's best interests to advertise poker machines too blatantly. However, with the recent legalisation of poker machines in NSW hotels, a few interviewees expressed concern that the clubs may have to follow suit if the hotels begin to advertise machines aggressively, and that this 'will deteriorate poker machine advertising'.

Mixed responses were again evident when the interviewees were asked whether they felt that advertising of poker machines should be restricted to certain media or certain times of the day. Two managers were vehemently opposed to such restrictions, considering it 'the first attack on problem gambling' and 'just more censorship'. A third manager felt restrictions on advertising were unnecessary as clubs were already advertising responsibly, and a fourth because he did not 'really think teenagers are influenced by that...(because they) think clubs are for oldies'. A fifth manager who disagreed with advertising restrictions contended that 'I don't think there is a problem with children having access through a poker machine area...because if you look at anybody now who is playing poker machines, they didn't have the problem put in their face when they were a baby'. A sixth manager felt it would be 'unfair practice' and should be up to individual clubs to decide when and where to advertise their gaming, while a seventh felt that it was unnecessary to restrict advertising because 'they've got to be over 18 to play the machines anyway'.

Of those not opposed to advertising controls, three felt that any restrictions would have to apply to all types of gambling. At the other end of the spectrum, eight managers agreed with restrictions, mainly so that gaming is not promoted to minors, during 'children's time' on television, in PG, G and family rated shows, nor in newspapers which children see because

'whilst gaming has been accepted by the community, it is causing problems and...kids from a young age see this as the norm'. However, the main restriction considered appropriate by one manager was that 'gaming should not take up the majority of the ad', arguing that it should be 'presented as a package of services'. Two managers commented on the inappropriateness of the TAB's 'adrenaline bet' advertisements, while another felt that recent Club Keno advertising was 'sort of targeting the younger patrons'. However, of those who agreed on restricted advertising, one felt that this should be implemented through a code of practice rather than legislation, while another felt advertising should be restricted to internal promotions only through mail-outs to members and advertising within the club.

5.5 Support for Welfare and Research

Building positive relationships with the welfare sector, along with providing financial and other support to counselling services and gambling research, have been key elements of responsible gaming strategies in South Australia and, to a lesser extent, in Victoria. The interviewees were asked their opinions on providing similar support from NSW clubs.

5.5.1 Liaison with the Welfare Sector

The majority of the club managers agreed that the NSW club industry should liaise more closely with the welfare sector to minimise gambling-related harm. The expertise of the welfare sector could raise awareness of the extent of gambling-related problems, particularly amongst club patrons, assist in developing guidelines for responsible gambling, and help club managers to identify and assist problem gamblers. Communication arrangements between clubs and welfare bodies would mean that 'should a problem arise, you've got fairly ready access to that person's skill and knowledge'. One interviewee also pointed out that closer relationships would also help the welfare sector 'understand our predicament. It's not easy to identify who the problems are and...I think they need to understand that'.

One manager felt that the welfare sector should only become involved if and when a patron sought help. As he explained, 'I'm not sure whether it would be wise for us to be getting involved with them prior to...being notified that there is a problem'. Two additional managers would only consider closer ties with the welfare sector if the sector 'has identified the fact that the problem is coming from the clubs'. As one contended, 'nobody has come to the clubs and said, look, I have had to come here to say we have had a few problems throughout your club, so that is why, to me, there is no big problem'. Another explained that the role of clubs was to 'provide the service and try and make as much money as possible' and that unless the welfare sector could prove that clubs were part of the problem, he was 'not going to be...trying to make those people who are spending their money in the club aware of the fact that they shouldn't be spending money in the club'.

Only two managers were opposed to building closer links with welfare bodies. One considered that the clubs' existing welfare officers adequately handle the issue, while the other felt that 'the welfare sector should change it's ways...by distributing agents around...(and) when a person receives a welfare payment, part payment should be paid to rent (and) to food'.

When asked for ideas on how a closer relationship between clubs and the welfare sector could be developed, the responses included: (The numbers in brackets indicates the number of respondents.)

- Through a 'cooperative committee', 'working group', think tank' or 'forum' involving representatives from the clubs and welfare organisations, a well as perhaps government and machine manufacturers (8).
- Publication in the venue of welfare organisations and their telephone numbers (1).
- Through welfare participation in staff training in responsible gambling (1).
- Through the RCA and CMA establishing links (2).

- Through a welfare group association providing telephone contact numbers to clubs (1).
- Through welfare organisations making first contact with clubs (4).

Building stronger links with welfare organisations appears important, given that fourteen of the nineteen managers considered that most clubs would not know where to refer patrons with gambling problem to for help. As one manager explained, "they certainly haven't made themselves known to clubs which seems strange...you would think they would come to the source'. However, all agreed that this is information which clubs should know and provide.

When asked where they would refer such people to for help if this occurred in their club, two managers identified Gamblers Anonymous, three mentioned Lifeline, two noted the Salvation Army, two identified Break Even, one noted 'counselling services in the community', while another also mentioned Veteran Affairs. One manager contended that 'we don't have anything in this area we can refer them to', while two managers pointed out that they had never been confronted with this problem and so did not know where they would refer problem gamblers to for help

5.5.2 Financial and Other Support for Counselling Services

There were mixed feelings among the club managers about contributing funds to gambling-related counselling services, with many not committing to a simple 'yes' or 'no' answer. Of those inclined to agree, two thought that every club should contribute a 'portion of the gambling dollar', three considered it a 'conscience decision' by the board and management of individual clubs, two thought that government and clubs should both contribute, one considered that club funds donated to local hospitals could be earmarked for gambling-related services, while another agreed with club funding only if it was 'very structured'. Three managers felt that the government alone should provide funding, given that it derives 'hundreds and hundreds of millions of dollars from all sectors of gambling in this state'. Another manager contended that the severity of the problem needed to be assessed before clubs contributed funds. Another pointed out the possible reluctance of welfare organisations to 'be seen as taking a benefit from the people who are creating the problem'.

Of those managers who agreed with financial contributions for clubs to counselling services, five thought a levy imposed as a percentage of taxable poker machine income would be the most appropriate means of doing so, two thought it should be a flat dollar contribution, while another considered that grants should be made from industry associations on behalf of the clubs. Another two managers preferred donations only to services available in the local region or community, assessed on a 'case by case' basis by the individual clubs. Amongst those who favoured a levy, concerns were raised by some that 'the industry would need a guarantee that every last cent went to what it was meant for' and that there should be 'some insurance that the organisation was an accountable (one)'. A few managers also pointed out that, 'if (clubs) had a levy system, it would have to be applied equally (to) every form of gambling throughout NSW'.

Other types of support for counselling services suggested by the interviewees included:

- Advertising counselling services in club magazines.
- Spending time with counselling services to raise staff and management awareness and knowledge about problem gambling.

- Assisting with fund-raising for counselling services.
- Facilitating referrals of patrons to counselling services.
- Use of club meeting rooms.

5.5.3 Financial and Other Support for Gambling Research

Again, mixed responses were apparent when the interviewees were asked if clubs should donate funds for gambling research. Seven managers felt that the government should fund research into gambling-related problems, while another thought research funding should come from both clubs and the government. Another manager felt that all 'gambling agencies' should contribute. However, five managers thought that clubs should contribute as 'once this problem gambling issue gets bigger - and it will get bigger - I think clubs will obviously realise that there is a need for looking into problem and solving problems of this respect'. Of these five, one contended that contributions should be 'something that clubs do on an individual basis', while two felt that the RCA or CMA should be 'the forum through which funds from clubs are channelled into research'.

Other types of support for gambling-related research suggested by the interviewees included:

- Allowing researchers access to club financial information, patron statistics and 'anecdotal evidence'.
- Allowing researchers to survey, interview and observe club patrons on the premises.
- Management and staff time for researchers.
- Publishing clubs' own research.
- Use of club facilities.
- Club surveys of members to identify the extent and severity of gambling problems.

5.6 Club Legal Obligations in Machine Gaming

Codes of practice and other guidelines in responsible gaming in South Australia and Victoria remind venue operators of their legal obligations in machine gaming, particularly regarding credit betting and gambling by minors, intoxicated and self-excluded persons, as well as their responsibility to ensure machines are working correctly.

Not surprisingly, the club managers interviewed were very much aware of their legal responsibilities in machine gaming. Abiding by the *Registered Clubs Act 1976 NSW* and the requirements of the LAB were considered of paramount importance. Specific requirements identified were prevention of gambling by minors, recording of all monies, ensuring machines are functioning to specifications, taxation requirements, prevention of fraud, having required licences, posting of required signage, and generally a duty of care to patrons.

Ways in which clubs ensure they adhere to legal requirements in machine gaming include responsible management, checks by the Board of Directors, producing required reports, electronic surveillance, staff training, financial accounting procedures, poker machine analyses, written procedures, adequate supervision and floor staff, and seeking advice on changes in legal requirements from the RCA.

To prevent poker machine tampering, theft, fraud and money laundering, the clubs had a variety of mechanisms in place. These included poker machine analyses, financial reconciliations, attention to a person's cheque-cashing history so that aberrations are noticed,

use of vouchers redeemed for cash rather than receipts so that the person has no record of the transaction if they try to launder money, electronic surveillance, machine alarms connected to the office or to pagers, staff training to look for counterfeit notes, notification to management if someone requests large amounts of money to be changed, staff vigilance, maintaining good relations with local police, and having poker machines in view of staff.

Clubs used a variety of procedures to prevent gambling by minors and intoxicated persons. These included surveillance at the front door, including asking for proof of age and other identification, displaying necessary signage, surveillance by managers, staff training and vigilance, employee empowerment to allow them to refuse service or ask for identification, and security cameras.

As only four of the managers had ever been requested to self-exclude problem gamblers, there was little comment on how the clubs ensure that self-excluded persons do not play gaming machines. The use of photos of the person, accompanied by door checks, staff awareness and security cameras, were identified as the most common mechanisms.

5.7 Discussion

This section has focused on exploring the attitudes of participating club managers to adopting in their clubs a variety of responsible gaming practices in other Australian jurisdictions. These practices relate to a range of industry initiatives, venue initiatives, providing information for poker machine players, promotion of gaming, support for gambling-related welfare and research, and adherence to legal obligations in machine gaming. The following discussion summarises and comments on these findings.

5.7.1 Discussion of Attitudes to Industry Initiatives

There was a consensus amongst the interviewees that the industry needs a set of guidelines in responsible gaming, although there was less agreement on who should develop and fund them. Respondents varied in their opinion as to whether such guidelines should be developed specifically by and for the club industry, or whether consistent guidelines were needed for all gambling industries. Nevertheless, whatever approach may be adopted, the need for substantial input from the club industry in the development of suitable guidelines was seen as paramount. In terms of funding, all but one manager felt that the development of guidelines in responsible gaming should receive substantial funding from the state government, and if applied to all gambling industries, that other sectors should contribute as well. Many practical suggestions were made for what such guidelines should contain. These included procedures for identifying, approaching and assisting problem gamblers, where to refer problem gamblers to for help, the provision of signage, slogans and printed material, background information on the nature and extent of problem gambling, and the clubs' legal parameters in addressing the issue. Some managers pointed to the opportunity to build on guidelines adopted in other states, allowing for adjustments for what has been shown to be effective and ineffective there. It was recognised however, that even once guidelines were developed, there would be some resistance to adopting them, particularly amongst smaller, less professional and less profitable clubs. Some managers felt that the economic interests of such clubs would prevail over ethical ones unless legislation required the same or similar guidelines to be adopted across all gambling industries. Substantial education of industry personnel and

marketing of the guidelines would be needed if they were to be consistently adopted in the absence of legislative requirements.

The majority of the club managers also supported the idea of a code of practice in responsible gaming for the club industry. Again, the interviewees advocated substantial input from the club industry in developing a code of practice, with the RCA or CMA considered the most appropriate bodies to coordinate the effort. Again, many practical suggestions were made as to what a code of practice should outline, with most feeling that its contents should be similar to those identified for the guidelines in responsible gaming. Again, codes of practice used in other states could be drawn upon to facilitate the task. However, when asked about likely adherence to such a code of practice, many interviewees expressed doubts over whether a self-regulatory approach would work, particularly if only the club industry was to adopt a code. Some managers felt that a code would be adopted, but not implemented or consistently enforced. Economic concerns and general apathy were identified as major barriers. Again, industry input into developing a code and education and marketing to convince individual clubs that a code is in their best long-term interests could increase its acceptance.

The majority of managers agreed that training would necessary for effective implementation of any guidelines and code of practice in responsible gaming. However, there was some debate over whether such training should involve both operative-level staff and management in the clubs, with many pointing to the need to provide strict guidelines to operative staff for referring the matter to senior management. Again, the managers stressed the need for industry involvement in developing a suitable training programme, perhaps with input from other stakeholders in the gambling industry as well as training providers such as TAFE. The current approach to training in responsible service of alcohol was cited as a suitable approach by some. Many suggestions were made for the contents of a training programme in responsible gaming. These included training in the causes, nature, consequences and extent of problem gambling to build understanding and empathy for gambling-related problems, procedures for identifying, approaching, handling and treatment of problem gamblers, associated legal parameters, and the provision of support material such as signage and brochures. Most managers felt that training in responsible gaming would be reasonably well adopted in the club industry. However, its adoption would be enhanced if the club industry had significant input into the development of the programme, if it was required across all gambling sectors, and if it was made mandatory like responsible service of alcohol training.

As signalled in their responses to previous questions, most club managers believed that guidelines, codes of practice and training in responsible gambling should be developed cooperatively amongst all gambling operators in the state. However, many also recognised the practical difficulties of a combined approach, due mainly to competitive rivalry, power struggles and economic interests.

From the interview findings relating to industry initiatives in responsible gaming, it is apparent that, while there is general philosophical support amongst the club managers for guidelines, a code of practice and training in responsible gaming, many conditions would have to be met and hurdles overcome if effective and widespread implementation is to be attained. To be widely adopted, such initiatives would require substantial input from the club industry in the development stage, followed by an education and marketing programme to sell the benefits of the initiatives to the club industry. There appears to be a preference among the club managers for a cooperative approach to responsible gambling involving all gambling sectors, although opinions of a wider sample of club managers are needed to verify this. If this is the preferred model, then a major barrier may well be the practical difficulties of organising such a forum under the prevailing conditions of natural rivalry and a history of non-cooperation. It would seem that a neutral third party, or the state government, could play

a role in facilitating cooperation. Another barrier to these initiatives was identified as funding. It appears unlikely that the club industry will contribute financially, unless the state government and other gambling industries can be convinced to do likewise. However, if these barriers can be overcome, there are opportunities for modelling such initiatives on those in other states, as well as on the approach to responsible service of alcohol currently used in NSW.

5.7.2 Discussion of Attitudes to Venue Initiatives

At the venue level, most club managers supported the idea of a house policy on responsible gaming, although only one club had implemented a house policy to date. Suggestions for what a house policy on responsible gaming should outline included mechanisms for increasing awareness, detection and empathy for gambling problems, procedures for dealing with problem gambling, a commitment to education and responsible promotion of gambling, provision of support material, and policies on measures such as self-exclusion, cheque cashing and access to cash.

All managers agreed that clubs should ensure that their staff can recognise signs of problem gambling, and that training would be necessary to achieve this. However, concern was also voiced that, while all staff should be trained to be aware of potential gambling problems, that dealing with problem gamblers should be referred to senior management or a designated person.

While the interviewees had little experience in dealing with problem gamblers, most were able to suggest a range of measures which could be taken if a person admitted to having a gambling problem. These included prevention from entering the club, from playing machines and from cashing cheques, imposing cooling-off periods after wins, providing relevant information and referrals to counselling, and direct counselling of the patron. Of the eleven managers who had previously been approached for help for gambling problems, their responses had included self-exclusion from the club, restrictions on playing machines, direct counselling and referrals to counselling services.

Many interviewees were wary of the legal limitations in helping problem gamblers, unless they had personally requested assistance. Thus, the majority felt that any exclusion programme needed to be voluntary, in writing and monitored by staff who would be provided with photographs or a list of names. However, some managers conceded that it would be difficult for staff to monitor an excluded person's entry to the club and their use of poker machines, due to the sheer number of patrons, limited identification required for club membership, and the use of note acceptors on machines. While most managers supported the adoption of a self-exclusion programme under the above conditions, they were more reticent about actively promoting such a system.

Most interviewees disagreed with the need for a cooling-off period for players after big wins. This was because big winners are not necessarily heavy gamblers, because most wins are paid as automatic credits, because it would be seen as imposing on individual rights and because it would lessen the opportunity for the club to recover some of the money won. However, where a prize is not paid automatically as credits on the machine, most clubs currently offer big winners a cheque rather than cash, primarily for security reasons. Nevertheless, it seems that most patrons insist on cash as they wrongly believe that gambling winnings are taxable.

When queried about access to cash for poker machine players, most clubs had strict controls on cheque-cashing, either outlawing the practice, setting limits on the amount and frequency,

or using a computerised checking system to review the patron's cheque-cashing history. While most clubs had EFTPOS facilities, some did not allow cash to be withdrawn, with use restricted to paying for meals, goods and entertainment. All but three clubs had ATMs, with seven of these installing them in gaming machine areas.

In relation to staff involvement in gambling, only three clubs had policies preventing staff from accepting tips from poker machine players, although others noted that their staff are not allowed to solicit tips. All clubs prohibited their staff from playing poker machines while on duty, most prohibited gambling in uniform, while six clubs prohibited their staff from gambling in the club at any time. Estimates of the percentage of staff who play poker machines weekly or more often varied from 5 percent to 70 percent.

From the above summary, it is apparent that some changes to club practices would need to be made if responsible gaming initiatives similar to those in some venues in other jurisdictions were to be implemented. These include removing ATMs from gaming areas, prohibiting cash withdrawals from EFTPOS machines, and prohibiting staff from accepting tips from poker machine players. Clubs could also facilitate more controlled gambling expenditure by encouraging big winners to accept payment of large prizes by cheque rather than cash, or by setting lower limits on cash payments. However, the effectiveness of these procedures is limited by the phasing out of manual jackpots whereby winnings are now paid directly onto most machines as credits. In addition, patron education that gambling winnings are not taxable may reduce insistence on cash, rather than cheque, payment.

It is also clear that any barring system introduced in clubs would only be acceptable if operated on a voluntary basis, and, to be completely effective, better ways of monitoring entry into clubs and use of gambling facilities by self-excluded persons would have to be developed. It also appears that, in some clubs, staff participation in machine gaming is high. While difficult to prohibit staff usage of club gaming facilities, especially in areas where the club may be the only social venue in town, measures to increase awareness and self-identification of problem gambling and the development of employee assistance programmes may alleviate the potential for gambling-related problems.

While certain changes would need to be made to bring NSW clubs in line with other states which have been more proactive in responsible gaming, it is apparent that a house policy and staff training in responsible gaming would be readily accepted, provided that it took legal parameters into account and set strict procedures for involvement of operative-level staff in dealing with gambling-related problems. Such a policy would also be useful in identifying ways in which club managers should respond if a patron asks for help in addressing a gambling problem.

5.7.3 Discussion of Attitudes to Information for Poker Machine Players

There was general agreement amongst the interviewees that signage could be an effective component of a responsible gaming strategy, provided it was simple, to the point, non-offensive, and sufficiently eye-catching to be noticed amongst other signage in the clubs. Suggestions for appropriate printed material included leaflets and cards for patrons, contact details for counselling services or a designated in-house person, slogans, house policies, and messages on machine screens. However, some club managers felt that signage would meet some resistance, particularly if it was too prominent.

When questioned about providing additional information to poker machine players on how machines work, their different features and payback rates, many managers were cautious in

their response, although many conceded that the chance nature of the game and how payback percentages work were not well understood by patrons. There was concern that, if payback percentages were publicised, this could lead patrons to expect to receive this percentage every time they played a machine. Some managers also commented that, if this was a requirement of clubs, then all other gambling venues should be required to do likewise. Other managers felt that publicising this information would achieve little in terms of behavioural change amongst players. In relation to various features of machines which affect bet size (eg: multi-line, multi-coin), most interviewees recognised that, while regular players had a good understanding of these, novice players may well 'get caught a few times'. However, while some managers agreed that this information should be more accessible to players, many thought it the responsibility of machine manufacturers and the government which approves machines, rather than the clubs. In addition, the diversity of machines available, rapid changes to machine technology, and the large number of staff who would need to be familiar with these features were identified as barriers to publicising this information more widely.

Current procedures for dealing with poker machine malfunctions and patron awareness of these were considered adequate by all club managers. Along with lock-up mechanisms on malfunctioning machines, all clubs had procedures in place to minimise problems, to alert patrons if a machine was out of order, and to handle poker machine related disputes. It was felt that these were already adequately prescribed by legislation. Not surprisingly, all but one manager felt that the establishment of an independent disputes resolution body was unnecessary as adequate mechanisms were already in place.

In terms of providing information for players on budgeting their gambling expenditure, many managers felt that this would be impractical and an invasion of privacy and individual rights. Some pointed out that prohibition on credit betting and cheque-cashing controls already adequately address the issue. However, others suggested that reminders to players to 'bet with their head and not over it' could be provided through signage, brochures and newsletters.

Most interviewees recognised the difficulty that problem gamblers have in recognising and admitting their gambling problem. Other barriers to greater club assistance in recognising a gambling problem were privacy issues and note acceptors on machines. Clubs could assist, however, through staff training to recognise gambling problems, through displaying self-assessment checklists, through displaying 'memory jolts', and through advice in patron pamphlets. Of particular concern was the belief of most managers that players are insufficiently aware of what to do if they think they had a gambling problem. More positively, however, most interviewees agreed that clubs have a responsibility to make this information more accessible to patrons through signage, printed material, their house policy and advice from staff. Encouragingly, most managers would not object to notices in their clubs of a telephone hotline service for problem gamblers.

None of the participating clubs provided any of the above information in languages other than English, even though estimates of the proportion of NESB patrons were as high as 25 percent in one club. While many managers felt that multi-lingual information was unnecessary, other barriers were the sheer diversity of NESB groups and attitudinal barriers to accommodating other languages.

From the preceding summary of responses relating to information for poker machine players, it is evident that many conditions would need to be met before such information would be widely available in clubs. A fine balance between the prominence and subtlety of any signage would need to be found, while information on percentage paybacks and machine features would need to be comprehensive enough to prevent player misinterpretation of their chances of winning and losing. In terms of helping players to budget their gambling expenditure, only

general, non-personal advice would seem appropriate, accompanied by measures outlined in Section 5.7.2 to limit access to large amounts of cash. However, there is an opportunity to assist clubs in making information on recognising and acting on gambling problems more accessible to players, including their NESB patrons, while notices for a telephone hotline service would be readily displayed. Certainly current practices in clubs regarding malfunctioning machines are considered adequate, suggesting that any move to establish further resolution procedures would be resisted by the clubs.

5.7.4 Discussion of Attitudes to Poker Machine Promotion

External advertising of poker machines by the clubs is largely part of a package of advertising all club facilities and services through a range of media, although internal merchandising tends to focus mainly on the numerous poker machine promotions conducted in the clubs. Most managers felt that the promotion of poker machine operations was conducted responsibly, with few changes needed, although many admitted there were exceptions to this by some clubs. Of concern however was that, with increased competition from poker machines in NSW hotels, clubs may be pressured to promote their machines more heavily. Most club managers felt that there should be some restrictions to poker machine promotion to prevent targeting or access to minors, although there was no consensus on how this should be done. Suggestions were through a code of conduct, or by limiting promotion to in-house merchandising or mail-outs to members. Conversely, some club managers were vehemently opposed to any restrictions.

Given the range of opinions to restrictions on poker machine advertising and promotion, it is apparent that wider opinion should be sought before an appropriate approach can be recommended. It may also be appropriate to monitor any changes in club advertising as poker machines in hotels become more numerous. It would appear that any restrictions on club advertising would have to be matched with similar restrictions on advertising other types of gambling, for this to be acceptable in the club industry.

5.7.5 Discussion of Attitudes to Welfare and Research Support

The majority of club managers agreed that the NSW clubs industry could benefit from building closer relationships with the welfare sector, with the preferred mechanism for doing so being through some kind of cooperative committee or forum, which might also involve representatives from the state government and machine manufacturers. Closer links with welfare organisations would seem important, given that the majority of club managers believed that most clubs would not know where to refer problem gamblers to for assistance if they were approached. However, there was also the feeling that the welfare organisations could be more proactive in establishing links with the clubs, particularly at the local level.

However, there were mixed feelings amongst the managers about contributing funds to problem gambling counselling services. Nearly half of the interviewees agreed that clubs should provide some funding, although some of these stipulated that this should be an individual decision for each club. Some managers favoured financial support from the state government, either to supplement club donations or instead of club donations. There were also mixed responses on how any funding from clubs should be determined, although it was clear that a flat dollar amount would disadvantage smaller clubs. It appears that a levy system, perhaps based on a percentage of poker machine income, would only be acceptable if it was firstly established that clubs were causing gambling problems, if a similar levy was applied

across all gambling industries, if the full amount of money was guaranteed to reach the counselling services, and if the counselling services were to be made accountable for related expenditure. However, most managers would agree to providing some in-kind support for counselling services, such as advertising space, assistance with fund-raising, facilitation of referrals and use of club facilities.

A similar mix of responses was given when the interviewees were asked if they thought clubs should donate funding to gambling-related research. Most support was given to state government funding of research either instead of, or as well as, club funding. However, the managers felt that in-kind support to gambling research could be provided by clubs through allowing access to financial information and in-house research, and by allowing researchers to survey club patrons, management and staff.

From the summary of opinions above, it is apparent that opportunities exist for closer liaison between clubs and the welfare sector, so that clubs can harness its expertise in dealing with problem gambling and to facilitate the referral of problem gamblers to counselling services. Perhaps a first step is to raise the awareness of club management of the role of poker machine gambling in problem gambling and to investigate the possibilities of establishing a cooperative forum. However, other conditions, as outlined above, would have to be met before the clubs would be willing to donate substantial funding to counselling services and associated research, although there was reasonable support for providing various types of in-kind support. It is also recognised that welfare organisations could be more proactive in approaching clubs to raise awareness of their services.

5.7.6 Discussion of Attitudes to Legal Obligations in Machine Gaming

Legal obligations in machine gaming is an area in which all the participating club managers appeared knowledgeable, realising the importance of adhering to legislation. All club managers felt that the extensive procedures in place to ensure compliance, to prevent poker machine theft, fraud and money laundering, and to prevent access to minors and intoxicated persons, were adequate. (However, regular reports of breaches of the legislation reported in Department of Gaming and Racing newsletters provides evidence that some lapses do occur.)

The major areas of legal concern to the club managers in implementing responsible gaming strategies related to their rights and limitations in approaching and dealing with problem gamblers. Throughout the interviews, it became clear that any guidelines, codes of practice, house policies, training and support material in responsible gaming would need to take into account matters such as invasion of privacy, anti-discrimination legislation, and rights over exclusion of patrons from the club and/or from gaming areas. Thus, a preliminary step in developing responsible gaming strategies for NSW clubs would require consultation with suitably qualified legal experts to ensure that such strategies met the relevant legal requirements.

SECTION SIX

PERCEIVED OPPORTUNITIES AND BARRIERS TO ADOPTING RESPONSIBLE GAMING STRATEGIES IN NSW CLUBS

This section addresses the third research objective, which was to identify, from the perspective of the club managers, the main opportunities and barriers to adopting more responsible gaming strategies in NSW clubs. (Additional opportunities and barriers gleaned from an analysis of all interview findings will be discussed in Sections Seven and Eight.)

6.1 Perceived Opportunities in Responsible Gaming in NSW Clubs

When asked which of the measures in responsible gambling they thought would be most readily accepted by NSW clubs, the interviewees identified the following: (The numbers in brackets indicates the number of respondents.)

- Standard guidelines, codes of conduct, house policies and procedures which could be used across the club industry or adapted for use by individual clubs (10).
- Standard guidelines, codes of conduct, house policies and procedures to be used by all gambling industries (3).
- Printed materials and signage, such as posters and brochures for patrons to allow self-assessment of gambling problems and contacts for counselling services (3).
- Education of club managers and staff in responsible gambling (2).
- A consultative committee of representatives from all stakeholders in gambling industries to plan a strategy (1).
- A telephone hotline service for problem gamblers (1).
- Standard guidelines, codes of conduct, house policies and procedures to be developed and administered by the RCA and AHA (1).

Generally, most club managers were reasonably positive that the club industry would be supportive of such measures. For example, one manager considered that 'the industry would be well and truly for...a common outline and a common strategy of identifying...gamblers problems'. Another stated that, 'as far as policies and strategies...I think that most managers would be responsible and welcome it with open arms'. A third considered that 'any responsible management...will adopt responsible programs. It's a responsible industry. We've shown in the past that registered clubs are responsible...they're community based'. However, some interviewees acknowledged that 'some (clubs) would say, no I don't want to do that, if they were to do their dough', that some would adopt an 'I don't care' or 'I'm not my brother's keeper' attitude. Two interviewees maintained that legislation would be needed for most clubs to adopt any measures.

6.2 Perceived Barriers in Responsible Gaming in NSW Clubs

When asked what they considered to be the main barriers in clubs adopting responsible gambling practices, the interviewees identified the following:

- Potential loss of patronage and profits, because 'gaming is their lifeblood', 'some...would rather have the money than anything else' and in this climate, there's a lot of clubs doing it tough (and) the last thing they want is to scare punters away, perhaps (by) being that God-fearing, moralising hypocrite'.
- Apathy within the industry and resistance to change unless legislation requires it.
- Lack of awareness in the club industry about the possible extent and severity of gambling-related problems amongst their patrons.
- The 'us and them' attitude between gambling industries which may hinder 'cooperating to formulate the package'. That is, 'knowing the background of the RCA and the AHA confrontation (over) the last couple of years, I see that as an early barrier'.
- 'Ignorance' and lack of education and professional management, where 'some clubs are from the old school' and 'basically, people don't give a rats'.
- Lack of support from club directors and difficulties in convincing them it is in their clubs' best interests, as 'in many clubs, the secretary manager has very little say'.
- Potential problem of 'sending...gambler(s) to another venue because you have mistakenly targeted them as problem gamblers'.
- Lack of 'hard facts' on the extent and severity of gambling-related problems amongst club patrons and lack of 'any real contact with anyone with a serious gambling problem'.
- Time and resources to implement responsible practices, particularly for smaller clubs without full-time management who will 'see it as another imposition'.
- Uniformity amongst all gambling sectors, and given the extent of the gambling industry, the difficulties in bringing all sectors into line.
- Difficulties in people admitting they have a gambling problem, which would be a barrier to adopting responsible gambling practices.

6.3 Suggestions for Overcoming Barriers to Responsible Gaming in NSW Clubs

Some suggestions were made for overcoming barriers to responsible provision of gaming by the clubs:

- Presenting responsible practices 'in a clear fashion', precisely and 'not clouded with all sorts of funny issues to decide'.
- Legislation to apply to all clubs, with club input in developing such legislation.

- Legislation to apply to all gambling venues, with industry input into developing such legislation.
- Education of directors, management and staff of the nature, extent and seriousness of the problem and 'that it is our responsibility' to minimise harm in gambling.
- Gathering of 'hard facts' to encourage understanding of the extent of problem gambling amongst club patrons.
- Requiring adoption of responsible practices as a prerequisite to membership of gambling industry associations.
- A government advertising campaign to help people recognise the symptoms of gambling problems and development of a consistent statewide education campaign on the effects of problem gambling and solutions available for individuals, so that venues could adopt more responsible practices.
- Development of club-wide guidelines for handling patrons with gambling problems and resolving their problems.

6.4 Discussion

As outlined above, there were numerous opportunities and barriers identified by the club managers in implementing responsible gaming strategies. It is apparent that, at the very least, standard guidelines, codes of conduct, house policies and development of procedures for identifying, approaching and dealing with problem gamblers would be reasonably well accepted in the industry. However, major barriers were identified as lack of knowledge and awareness, apathy, resistance to change, lack of support from club directors, insufficient time and resources to implement practices, and a perceived threat to the clubs' main source of revenue.

Nevertheless, it would appear that there are opportunities to overcome many of these barriers. Some appropriate initial steps would be to firstly conduct baseline research into the extent of gambling problems amongst club patrons and dissemination of the findings amongst the club community to help raise awareness of problem gambling and the role that poker machines might play. Secondly, the possibilities of initiating a cooperative approach to the issue amongst all gambling sectors should be pursued. Thirdly, opinions of a wider, representative sample of club managers should be sought to clarify how the many possible elements of a responsible gaming strategy might best be implemented.

Once these initial steps have been pursued and an appropriate set of strategies developed, it appears that maximising the adoption of such strategies would require an education campaign for club managers and directors to increase awareness of problem gambling, to emphasise the need for a proactive response, and to allay fears that responsible gaming strategies would lead to loss of income. It would also be important that extensive assistance be given to individual clubs through the development and dissemination of standardised policies, procedures and support materials, and through adequate training.

SECTION SEVEN


SUMMARY OF INTERVIEW FINDINGS

The key findings of the interviews with the nineteen club managers can be summarised as follows:

- The club managers identified three main types of motivations for gambling - intrinsic motivations, such as entertainment, hope, challenge and excitement; the diversionary value of gambling in providing an escape from boredom and routine; and external social and monetary rewards. They also recognise that motivations for gambling may differ between individuals and amongst different types of gambling.
- The club managers consider the main community benefits of club gambling as localised in nature, and consisting of quality club services and facilities for patrons at affordable prices, support for a variety of charities and community projects, and a boost to local economic activity.
- The club managers have limited understanding of the nature and extent of problem gambling in the community and amongst club patrons, and the types of gambling which problem gamblers have the most difficulty controlling.
- The club managers recognise the seriousness of problem gambling, identifying that difficulties can occur for problem gamblers and significant others in the individual, interpersonal, employment, financial and legal domains.
- Most club managers believe that NSW clubs should shoulder some responsibility for minimising gambling-related problems in the community, with many considering that the state government should play an active role as well.
- Most club managers believe that the state government should fund counselling services and research into problem gambling, although many feel that clubs and other stakeholders, such as other gambling industries and machine manufacturers, should also contribute.
- Most club managers feel that the NSW club industry is not currently taking sufficient responsibility in harm minimisation in gambling, but that it is in its best interests to be more proactive.
- There is some reluctance to adopt harm minimisation measures unless these are consistent across all gambling industries.
- While the club managers can identify a range of harm minimisation measures which could be taken, there is currently minimal implementation of such practices.
- While many club managers feel they can identify problem gamblers, most recognise difficulties in offering direct assistance unless the gambler is willing to admit the problem.

- Concerns about legal parameters relating to invasion of privacy and anti-discrimination legislation are considered barriers to clubs in being more proactive in helping problem gamblers.
- Most managers agree that the NSW club industry needs a set of guidelines and a code of practice in responsible gaming, which should be developed with substantial input from the club industry, but at least partially funded by the state government.
- The managers feel that guidelines and a code of practice in responsible gaming should include procedures for identifying, approaching and assisting problem gamblers, where to refer problem gamblers to for help, the provision of signage, slogans and printed material, background information on the nature and extent of problem gambling, and the clubs' legal parameters in addressing the issue.
- There would be some resistance to adopting guidelines and a code of practice in responsible gaming, particularly amongst smaller, less professional and less profitable clubs, with apathy and economic interests being the main barriers.
- Most managers believe that training is needed for effective implementation of guidelines and a code of practice in responsible gaming and would be reasonably well adopted in the club industry, particularly if the industry had significant input into its development, if it provided strict guidelines to operative staff for referring gambling problems to senior management, if it was required across all gambling sectors, and if it was mandatory like responsible service of alcohol training.
- Training in responsible gaming should include the causes, nature, consequences and extent of problem gambling to build understanding and empathy for gambling-related problems, procedures for identifying, approaching, handling and treatment of problem gamblers, associated legal parameters, and the provision of support material such as signage and brochures.
- Most club managers believe that guidelines, codes of practice and training in responsible gaming should be developed cooperatively amongst all gambling operators in the state, although this would be difficult due to competitive rivalry, power struggles and economic interests.
- Most club managers support the idea of a house policy on responsible gaming, outlining mechanisms for increasing awareness, detection and empathy for gambling problems, procedures for dealing with problem gambling, a commitment to education and responsible promotion of gambling, provision of support material, and policies on measures such as self-exclusion, cheque cashing and access to cash.
- The managers have little experience in dealing with problem gamblers, with past responses included self-exclusion from the club, restrictions on playing machines, direct counselling and referrals to counselling services.
- Most managers support the adoption of a voluntary self-exclusion programme, although this could be difficult to monitor. However, they are more reticent about actively promoting such a system.
- Most interviewees disagree with the need for a cooling-off period for players after big wins. However, for security reasons, most clubs currently offer big winners a cheque rather than cash. Nevertheless, most patrons insist on cash.

- Most clubs have strict controls on cheque-cashing and cash withdrawals from EFTPOS, but many have ATMs in gaming machine areas.
- Estimates of the percentage of staff who play poker machines weekly or more often vary from 5 percent to 70 percent. All clubs prohibit their staff from playing poker machines while on duty, but policies vary on playing when off duty and accepting tips from poker machine players.
- Signage is considered a potentially effective component of responsible gaming, provided it is simple, to the point, non-offensive, and sufficiently eye-catching. This could be supplemented with leaflets and cards for patrons, contact details for counselling services or a designated in-house person, slogans, house policies, and messages on machine screens. However, some club managers feel that signage would meet resistance, particularly if it is too prominent.
- Many club managers feel that the chance nature of poker machines and how payback percentages work are not well understood by club patrons. However, if payback percentages are publicised, this could lead patrons to expect a guaranteed return every time they play a machine.
- Most managers feel that providing further information for players on the various features of machines which affect bet size is the responsibility of machine manufacturers and the government .
- Current procedures for dealing with poker machine malfunctions and patron awareness of these are considered adequate and an independent disputes resolution body is unnecessary.
- Providing information for players on budgeting their gambling expenditure is considered impractical and an invasion of privacy and individual rights.
- Most managers recognise the difficulty for problem gamblers in recognising and admitting a gambling problem. They also believe that players are insufficiently aware of what to do if they think they had a gambling problem and they feel the clubs could do more in this area.
- None of the clubs currently provides any information for poker machine players in languages other than English, even though estimates of the proportion of NESB patrons are as high as 25 percent in one club.
- External advertising of poker machines is mainly part of a package which advertises all club facilities and services, although internal merchandising tends to focus on the numerous poker machine promotions conducted in the clubs.
- While most club managers believe that the promotion of poker machines is conducted responsibly, they acknowledge exceptions to this and agree that gambling should not be promoted to minors.
- Most managers agree that the NSW clubs industry can benefit from closer links with the welfare sector through a cooperative committee or forum, which might also involve representatives from the state government and machine manufacturers.
- Managers consider that welfare organisations could be more proactive in establishing links with clubs, particularly at the local level.

- There are mixed feelings about contributing funds to gambling-related counselling services and research, and about how any funding should be determined. However, various types of in-kind support could be provided.
 - The managers are well aware of their legal obligations in machine gaming and feel that adequate procedures are in place to ensure compliance, to prevent poker machine theft, fraud and money laundering, and to prevent access to minors and intoxicated persons.
 - Major legal concerns in responsible provision of gaming relate to club rights and limitations in approaching and dealing with problem gamblers, particularly invasion of privacy, anti-discrimination legislation, and rights over exclusion of patrons from clubs and gaming areas.
 - The managers consider that responsible gaming measures most likely to be accepted in NSW clubs are standard guidelines, codes of conduct, house policies and procedures for identifying, approaching and dealing with problem gamblers.
 - The main barriers to responsible provision of gaming in clubs are considered lack of knowledge and awareness, apathy, resistance to change, lack of support from club directors, insufficient time and resources to implement practices, and a perceived threat to their main source of revenue.
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SECTION EIGHT

RECOMMENDATIONS

The fourth objective of this study was to formulate initial recommendations for implementing formal responsible gaming strategies in NSW clubs, based on the analysis of interview findings presented in previous sections of this report. Because this was an exploratory study which drew on the opinions of a small and non-representative sample of club managers, these recommendations should be read only as preliminary directions for action. They will be used to inform a larger scale survey of a representative sample of club management planned for early next year.

From the interview findings, it is recommended that:

- A summary of research findings on problem gambling be disseminated to the club community, particularly estimates on the prevalence of problem gambling and the role of poker machines in contributing to gambling-related problems.
- Baseline research be conducted into the extent of gambling-related problems amongst club patrons. Prosser, Breen, Weeks and Hing have investigated this issue drawing on a random sample of members from six large clubs in Sydney, as part of a larger study funded by the Casino Community Benefit Fund (forthcoming). However, a similar study of members and visitors from a representative sample of NSW clubs is needed to provide a more comprehensive picture.
- The possibilities of a consistent and cooperative approach to responsible provision of gambling across all NSW gambling industries be investigated.
- Substantial input from the club industry be sought to develop draft guidelines, a code of conduct, support materials (such as signage and printed material), a training programme, and a patron education programme in responsible gaming.
- An education and marketing programme be developed to emphasise the benefits of responsible gaming initiatives to the club industry.
- Further research be conducted to identify the most effective aspects of responsible gaming strategies used in other jurisdictions, so that the NSW club industry can take these into account in developing similar strategies.
- Possible sources of funding for the development of responsible gaming initiatives from the club industry, the state government and other stakeholders in the gambling industry be investigated.
- Welfare organisations be encouraged to be more proactive in approaching clubs to raise awareness of their services, particularly at the local level.
- Consultation with suitably qualified legal experts be initiated to identify the legal parameters for clubs in implementing responsible gaming strategies.

- Opinions of a larger, representative sample of club managers and directors be sought to clarify how the many possible elements of a responsible gaming strategy might best be implemented in NSW clubs
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APPENDIX A: INTERVIEW SCHEDULE

The Club Managers' Association Australia has made a commitment to the NSW Minister for Gaming and Racing to examine the issue of responsible practice of gaming in NSW clubs. As a first step in meeting this commitment, we are endeavouring to gauge the opinions of club managers about the positive and negative impacts of gambling and to explore their general attitudes to adopting some practices currently used in other jurisdictions to minimise any negative effects of gambling. We are not suggesting that these practices are the right ones, nor that the NSW club industry should adopt them. Rather, they simply reflect a range of ways in which other states are facing this issue and provide a basis for gauging the opinions of NSW club managers. In this way, we hope to identify what opportunities and barriers club managers see as encouraging or discouraging responsible practice of gaming in their venues.

We realise that social impacts of gambling is a sensitive issue, but would appreciate honest answers. We assure you that you and your club will not be identified in our report to the Minister.

***Firstly, we'd like to ask some general questions about how you perceive gambling & its impacts:
Gambling is clearly a popular activity amongst Australians, so...***

- What benefits do you think gambling has for gamblers? ie: why do you think people gamble?
- What benefits do you think flow to the local community from gambling?
- What types of charities & community projects does your club usually support from gaming profits? How are these selected?
- Can you give us an estimation of your club's contributions to charities & community projects? (perhaps, % of profit)

While gambling has some positive impacts, there is some concern about negative social impacts, so...

- Do you think gambling causes serious problems for some people?
- How extensive do you think gambling-related problems are in the community?
- What types of problems do you think arise for people who lose control of their gambling?
- What types of gambling do you think excessive gamblers have the most trouble with?
- How common do you think gambling-related problems are amongst club patrons?
- What types of club gaming do you think patrons might have the most problems with?

Our next few questions are about responsibility for gambling-related problems:

- Whose responsibility do you think it is, if any, to minimise the incidence of gambling-related problems?
- Whose responsibility do you think it is to fund counselling services for problem gamblers & their families?
- Whose responsibility do you think it is to fund research into problem gambling & its treatment?
- Do you think the NSW club industry is taking sufficient responsibility in harm minimisation in gambling? Do you think it is in the NSW club industry's best interests to take more responsibility?
- What measures do you think can be taken to minimise gambling-related problems? Does your club take any of these measures? Why or why not?
- Do you think problem gamblers can be identified? What signs would you look for?

Our next questions are based on some practices used in other states to minimise gambling-related problems. We'd like your opinion on whether you think NSW clubs should or would adopt any of these practices.

Industry initiatives:

- Do you think some guidelines should be developed to help NSW clubs adopt more responsible practice of gaming?
If yes, who should develop & fund such guidelines & how might they be developed?
What types of guidelines might be useful? ie: what sort of advice should they contain?
How well do you think such guidelines would be adopted in the club industry?
- Do you think the industry should develop a self-regulating code of practice in responsible gaming?
If yes, who should develop & fund such a code & how might it be developed?
What do you think such a code of practice should specify?
How well do you think such a code would be adopted in the club industry?
- Do you think training is needed for gaming managers & staff in responsible practice of gaming?
If yes, who should develop & fund a training program & how might it be developed?
What types of things should such a training program cover?
Which types of employees should be trained?
How well do you think such a training program would be adopted in the club industry?
- Do you think industry initiatives such as guidelines, codes of practice, & training should be developed cooperatively amongst all gambling operators in the state or should each sector (eg: clubs, hotels, casinos) develop its own?
What are the opportunities & barriers to cooperation amongst the different sectors?
- What do you think of the idea of an industry accord to develop & periodically review initiatives in responsible gaming & to liaise with key community groups?

Venue initiatives:

- Do you think clubs should develop a house policy on responsible practice of gaming?
If yes, what sorts of things should such a house policy cover?
- Do you think clubs should ensure their gaming staff can recognise signs of problem gambling?
If yes, how do you think this can best be achieved?
- What should clubs do if a patron admits to having a gambling problem?
Has this ever happened in your club & what did the club do?
- Do you think clubs should bar problem gamblers from playing poker machines? Under what circumstances? (eg: if they request to be barred, if they admit to having problems, if a family member requests it)
If yes, how should such a barring system work? ie: how would it be implemented?
Do you think clubs should operate & promote a self-barring program for problem gamblers?
- Do you think clubs should encourage big winners to have a cooling off period & take payment by cheque instead of cash?
- Does your club have a policy on staff accepting tips from poker machine players?
- Do you think club employees should be prohibited from playing machines while on duty, on breaks or before & after their shift?
- What proportion of your club's staff regularly play poker machines, say once a week or more?
- Do you think clubs should prevent credit betting?
If yes, how can it be prevented & what measures does your club have in place?
- What is the club's policy on cashing patrons' cheques?
- What is the club's policy on obtaining cash using club EFTPOS facilities?
- Are there any ATMs in the club? How far away is the nearest ATM?

Information for poker machine players:

- Signage is an important part of a responsible service of alcohol strategy. Do you think signage could be used in responsible practice of gaming?
If yes, what types of signage might be useful?
- Do you think players are sufficiently aware of their chances of winning & losing on poker machines? ie: do most recognise it is pure chance, that machines are programmed to pay back less than what is put into them?
Do you think clubs have a responsibility to make this information more accessible to players?
If yes, how might this be done?
- Do you think players are sufficiently aware of the different features of poker machines & how selecting such features can alter the amount bet? ie: do most understand that bet size depends on the machine's denomination, tokenisation, multi-line features, multi-game features?
Do you think clubs have a responsibility to make this information more accessible to players?
If yes, how might this be done?
- Do you think players are sufficiently aware of how payouts occur on poker machines? ie: do they adequately understand pay-tables, what constitutes a win, how credits accumulate, etc?
Do you think clubs have a responsibility to make this information more accessible to players?
If yes, how might this be done?
- Do you think players know how to budget their money for playing poker machines? ie: do they adequately understand the dangers of credit betting, borrowing money to play, spending more than they can afford, increasing bets when losing?
Do you think clubs have a responsibility to make such advice more accessible to players?
If yes, how might this be done?
- Do you think players can sufficiently recognise if they have a gambling problem? ie: would most recognise that frequently spending more than planned, losing money they can't afford, hurting people close to them through their gambling, are signs that they might have a problem?
Do you think clubs have a responsibility to make such advice more accessible to players?
If yes, how might this be done?
- Do you think players are sufficiently aware of what to do if they think they have a gambling problem? ie: are they adequately aware of existing counselling services?
Do you think clubs have a responsibility to make this information more accessible to players?
If yes, how might this be done?
Would your club object to notices in the club advising patrons of a telephone hotline service for problem gamblers?
- Do you think players are sufficiently aware if a machine has malfunctioned or short-paid them? Do they know what to do if they think this has happened?
Do you think clubs have a responsibility to make this information more accessible to players?
If yes, how might this be done?
- How does your club ensure its poker machines are working properly?
How does the club let its patrons know if some machines are malfunctioning or out of order?
- What is the procedure in your club if a player has a poker machine-related complaint or dispute?
About how often do complaints or disputes over poker machines occur?
Is there a need for an independent disputes resolution body to deal with poker-machine related disputes or unethical practices in poker machine gaming?
- Regarding all these aspects of player information, is this information available to your non-English speaking players?

Advertising of poker machine gaming:

- What advertising does your club do to promote its poker machines? Can you briefly describe its main content & message?
- Do you think poker machine advertising by the club industry in general is appropriate in its content & message? What aspects, if any, do you think should be changed?
- Do you think advertising of poker machine gaming should be restricted to certain media, certain publications, or certain times of the day? Please specify.

Liaison with the welfare sector:

- Do you think the club industry should liaise more closely with the welfare sector to minimise harm in gambling?
If yes, how might closer links be developed?
- Would most clubs know where they can refer patrons with gambling problems to for help?
Where would your club refer problem gamblers to?
Do you think clubs should provide this information to problem gamblers?

Support for counselling services:

- Do you think clubs should donate funds to gambling-related counselling services?
If yes, about how much should they donate? (perhaps \$ or % of poker machine profits)
Do you think such funding should be compulsory through a levy system?
- Do you think clubs should donate funds for research into problem gambling & its treatment?
If yes, about how much should they donate? (perhaps \$ or % of poker machine profits)
Do you think such funding should be compulsory through a levy system?
- Are there any types of non-financial or in-kind support which clubs should provide for gambling-related counselling services?
- Are there any types of non-financial or in-kind support which you think clubs should provide for research into problem gambling & its treatment?

We'd now like to ask you about legal obligations in machine gaming:

- What do you see as clubs' main legal responsibilities in machine gaming?
- How do you ensure your club adheres to these obligations?
- How does your club ensure minors, intoxicated & self-barred (if applicable) persons do not use poker machines?
- How does your club prevent poker machine tampering, theft, fraud & money laundering?

Next, we'd like your general thoughts on opportunities & barriers in adopting more responsible practice of gaming in clubs.

- Which of the measures we've talked about would be most readily accepted by clubs?
- Are there any other measures we haven't mentioned which might be taken?
- What do you think are the main barriers to adopting the types of practices we've been talking about in the club industry? How might such barriers be overcome?

Finally, we'd like a little background information on your club:

- Type of club (eg: RSL, bowls, golf, etc.)
- Number of members
- Number of poker machines
- About what % of the club's revenue is earned through poker machines?
- Could we please have a copy of the most recent Annual Report for your club?

Thank you very much for your cooperation!