
G Access to cash and credit: evidence

G.1 Introduction

Many regulations limit access to cash and credit in gambling venues, with the objective of reducing harm to gamblers. Further restrictions have been advocated. This appendix summarises reviews about such regulations and evidence about their impacts (which provides useful background material for chapter 13).

The main focus is on automatic teller machines (ATMs), given that bans on in-venue ATMs and limits on withdrawals are often raised as harm minimisation measures, with Victoria about to implement a ban. However, the appendix also considers some other aspects of access to cash, including restrictions on using credit for gambling, the forms of payment for winnings and cashing of cheques.

The key sources of evidence are set out in table G.1. Evidence was particularly sought in relation to the following effectiveness issues:

- the link between access to cash and credit and problem gambling
- whether restrictions on access to cash and credit would help gamblers, including whether gamblers would avoid or otherwise circumvent the restrictions
- the impacts of restrictions on non-problem gamblers and other patrons
- the extent of support for, or views on the effectiveness of, restrictions.

G.2 ATMs/EFTPOS facilities in Australia and in gambling venues¹

ATMs

ATMs provide customers of financial institutions with the capacity to access their accounts online for the purpose of cash withdrawals and other account management

¹ Sources of information for this section are; ABS (2006); APCA (2010a, b); ATM Industry Reference Group (sub. 137); Australian Bankers' Association (sub. 165); and RBA (2010).

services. Access is through the use of debit or credit cards issued by financial institutions.

Table G.1 Key sources of evidence on access to cash and credit

<i>Source</i>	<i>Scope</i>	<i>Commissioned/funded by?</i>
AC Nielsen (2007)	Survey of gambling prevalence in NSW	NSW Office of Liquor, Gaming and Racing
Australian Institute for Gambling Research (2001)	Survey of gambling prevalence in the ACT	ACT Gambling and Racing Commission
Caraniche (2005)	Evaluation of Victorian harm minimisation measures applying to gaming machines	Victorian Gambling Research Panel
Centre for Gambling Research (2004a)	Survey of gambling prevalence in Victoria	Victorian Gambling Research Panel
Centre for Gambling Research (2004b)	The use of ATMs in ACT gaming venues	ACT Gambling and Racing Commission
McMillen and Pitt (2005)	Review of ACT Government harm minimisation measures	ACT Gambling and Racing Commission
Delfabbro et al. (2007)	Identification of problem gamblers in gambling venues	Gambling Research Australia
Hare (2009)	A study of gambling in Victoria	Department of Justice, Victoria
Hing (2003)	Awareness, adequacy and effectiveness of responsible gambling strategies in Sydney clubs	(NSW) Casino Community Benefit Fund
McDonnell-Phillips (2006)	National survey of gambler pre-commitment behaviour	Gambling Research Australia
New Focus Research (2004)	Experiences of problem gamblers, their 'loved ones' and service providers	Department of Justice, Victoria
Office for Problem Gambling (2006)	Survey of gambling prevalence in South Australia	SA Department for Families and Communities and the Independent Gambling Authority
SACES (2008b)	Survey of gambling prevalence in Tasmania	SA Department of Treasury and Finance
Queensland Government (2008, 2009a)	Queensland household gambling survey 2006-07 and 2008-09	Queensland Government
Schottler Consulting (2009a)	Survey of gaming machine players attitudes to Victorian policy changes	Department of Justice, Victoria

There were around 27 000 ATMs in Australia as at end June 2009 (RBA 2010). There were some 73 million cash withdrawals from ATMs valued at \$13.9 billion, with the average value of a transaction at around \$190.²

² As at end December 2009 (RBA 2010).

There is some limited information on the number of ATMs and the number and value of ATM transactions in gambling venues. About 25 per cent of ATMs in Australia are located in licensed venues (ATM Industry Reference Group sub. 137, p. 8). A very small number of ATMs in ‘gaming venues’, about 1 per cent,³ are ‘bank branded’ (Australian Bankers’ Association, sub. 165, p. 4 and sub. DR381, p. 3), with 99 per cent owned/operated by non-financial institutions.

EFTPOS facilities

EFTPOS facilities provide customers with the ability to pay for the supply of goods and services at the point of sale through an online debit of their savings or cheque (debit) accounts, with a resultant credit to the merchant’s account. Access is generally through the use of a debit card, although credit cards may also be used to access linked debit accounts. While the service offered by EFTPOS is principally a substitute for cash and cheque payments, some merchants may also offer ‘cash out’ services, where the savings or cheque account is debited in return for the provision of cash by the merchant.

There were around 670 000 EFTPOS facilities in Australia as at end June 2009 (RBA 2010). Some 21 million debit transactions involving cash withdrawals valued at \$1.3 billion were conducted through EFTPOS facilities, with the average value of a cash withdrawal of around \$62.⁴

There is no published information on EFTPOS facilities in gambling venues. However, assuming that each business providing gambling services in Australia has one merchant operating an EFTPOS facility there are an estimated 5300 terminals in venues providing gambling services (ABS 2006).

G.3 Restrictions on ATMs/EFTPOS facilities

Most jurisdictions have mandatory restrictions on:

- the location of ATMs/EFTPOS facilities — for example, prohibiting ATMs/EFTPOS facilities from the gaming floor of the venue or prescribing the distance of ATMs from the gaming floor

³ As at March 2009, there were 84 bank branded ATMs (Australian Bankers’ Association, sub. 165, p. 4 and sub. DR381, p. 3).

⁴ As at end December 2009 (RBA 2010).

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- the number or value of ATM/EFTPOS transactions — for example, setting daily limits on the volume and/or value of transactions or limiting the value of a single transaction.

Findings and recommendations of previous reports to government

In its 2002 report to the Australian Government, KPMG recommended that the Government review the location and placement of ATMs in gaming venues, particularly their proximity to gaming areas, to ensure adherence to the intent of the legislation (KPMG 2002, p. 5). It also recommended that such a review consider increasing requirements to ensure ATMs are not visible to patrons in the gaming area.

While not specifically linked to restrictions on ATMs/EFTPOS facilities, KPMG also recommended that jurisdictions should negotiate with the financial services sector to develop a ‘self help’ strategy for banking customers who require assistance in managing their finances as a result of gambling issues (2002, p. 6). It noted that customers have the capacity to set their own limits on their accounts.

Ultimately the problem gambler is required to share some responsibility in dealing with their gambling behaviour. There are ranges of strategies in this area that are being implemented overseas and could be implemented here. They include the individual implementing a self-exclusion deed whereby the individual excludes themselves from the ATMs in all casinos and gaming environments. Further, there is already capacity for individuals to place withdrawal limits on specific accounts. This allows people some capacity to address their own behaviour whilst not negatively impacting on the broader community group. (2002, p. 85)

In its 2004 report on New South Wales harm minimisation measures, IPART recommended, among other things, that a review should be conducted to determine the uniform minimum distances that ATMs must be from the gaming areas in venues, and research into lower ATM cash limits in gambling venues (2004, pp. 98, 104). On cash limits, IPART noted that:

Problem gamblers could be expected to avoid lower cash limits at gaming venues by using multiple cards or withdrawing more money from ATMs located outside of venues. However, lower cash limits at venues could assist regular gamblers to better manage their betting on gaming machines. ...

Where appropriate, gamblers should be encouraged to better manage their expenditure on gaming machines by setting lower limits on their electronic cash withdrawal cards. Consultations should be held with the financial sector to ascertain whether consumers can request lower withdrawal limits from gaming venues only. If this is possible, gamblers should be encouraged to use this facility as a tool to gamble more

responsibly. If this is not possible, the financial sector should be encouraged to make this facility available. (2004, p. 103)

The Centre for Gambling Research (2004b, p. 15):

- found limited evidence to support the removal of ATMs from gaming venues. Although the convenience of ATMs in gaming venues appears to be related to higher gambling expenditure, on balance the removal of ATMS from gambling venues would inconvenience a proportion of recreational gamblers and non-gambling patrons of gaming venues
- did not find an unequivocally strong relationship between problem gambling and the use of ATMs in ACT gaming venues.

The Centre, nonetheless, considered that its findings showed that a daily limit on the amount that can be withdrawn from ATMs would be a more ‘effective and acceptable strategy’ (p. 15)

In contrast to the Centre for Gambling Research study, a report to the Victorian Government evaluating harm minimisation measures applying to gaming machines (Caraniche 2005) found that ‘removing ATMs from gaming areas would not inconvenience recreational gamblers’ (p. 14), but made no specific recommendations on restrictions on ATMs/EFTPOS facilities.

In 2009, the Victorian Government released a study on the impact of changes to electronic gaming machine characteristics, including its proposed ATM ban, on the play behaviour of gamblers (Schottler Consulting 2009a). The study found that:

... there may be a slight reaction of recreational gamblers to having to use EFTPOS for cash withdrawals, although based on the research, this is not likely to prove to be a major obstacle. In fact, given that 86% of non-problem gamblers and 75% of low risk gamblers thought ATM removal would have no impact on their play enjoyment, this is a reasonable indication that such a measure is fairly acceptable to the recreational player market. Most are quite comfortable with limited EFTPOS withdrawals. (p. 7)

The use of ATMs/EFTPOS facilities in gambling venues

Extent of use

The evidence generally shows that most gamblers and other patrons rarely, or do not, use in-venue ATMs, with even fewer using in-venue EFTPOS facilities (table G.2).

Table G.2 Use of ATMs/EFTPOS facilities in gambling venues

Question or statement	NSW <i>AC Nielsen (2007)</i>	Vic <i>Centre for Gambling Research (2004a)</i>	Vic <i>Caraniche (2005)</i>	Qld <i>Household gambling survey 2008-09^a</i>	SA <i>Office for Problem Gambling (2006)</i>	Tas ^b <i>SACES (2008b)</i>	ACT <i>Centre for Gambling Research (2004b)</i>	National <i>UMR^c (2008)</i>
	n=634 players of gaming machines	n=906 gamblers	n=418 players of gaming machines	n=15 000 adults	n=5130 players of gaming machines	n=1156 players of gaming machines	n=566 venue patrons that were ATM users and 387 venue patrons that were EFTPOS users	n=1000 patrons of clubs and hotels
Withdrew money from the ATM at the venue.	Never, rarely 84% Sometimes, often, always 17%	Never, rarely 74.5% Sometimes, often always 25.5%	Never used or accessed 42% Used or accessed once 29% Used or accessed more than once 29%	..	Never, rarely 85% Sometimes, often, always 14%	Never, rarely 85% Sometimes, often, always 15%	Accessed 49%	..
Withdrew money from an ATM in a pub or club.	..	..	..	Never, rarely 76.5% Sometimes, often, very often 23.3%	..	..	..	..
Withdrew money from savings or cheque accounts at venue (using a plastic card).	..	..	..	..	Never, rarely 90% Sometimes, often, always 10%	Never, rarely 89% Sometimes, often, always 11%	..	..
Withdrew money from EFTPOS at the venue.	..	..	..	Never, rarely 88.8% Sometimes, often, very often 11.2%	0.6%	..	Accessed 16%.	..
Used ATM at least occasionally	..	..	..	..	..	..	..	52%

^a Commission estimates based on raw data from the survey (questions 26 and 28). ^b In Tasmania, ATMs are only available in casinos. EFTPOS facilities are available in casinos, hotels and clubs. ^c Referred to in Clubs Australia (sub. 164, p. 11).

.. not asked or reported.

Purposes for withdrawing cash

There have been some studies that have considered the purposes to which cash withdrawn from ATMs or EFTPOS facilities have been put.

In its 2004 study of ATM use in ACT gaming venues, the Centre for Gambling Research (2004b) reported that, of the patrons that used ATMs/EFTPOS facilities in ACT gaming venues, most usually spent the withdrawn cash on drinks in the venue (86 per cent of 258 ATM users and 81 per cent of 48 EFTPOS users) and on meals in the venue (80 per cent and 66 per cent) (p. 96, table 26). Much smaller proportions of patrons spent withdrawn cash on gambling (36 per cent and 33 per cent). (People were able to nominate multiple types of purchases, which is why the shares can exceed 100 per cent.) The major motivation for using cash withdrawal facilities in gambling venues, rather than from other sites, was security and accessibility — which is relevant to regulations that might limit such access (table G.3).

Table G.3 Reasons for using ATMs/EFTPOS facilities in ACT gaming venues, 2004^a

<i>Reason</i>	<i>ATMs (n=258)</i>	<i>EFTPOS (n=48)</i>
	<i>%</i>	<i>%</i>
There are no other ATMs/EFTPOS facilities in the local area	22	29
I don't like travelling with money in my wallet	19	14
It is close to my work	16	19
It is close to my home	14	16
It is close to where I shop	13	16
I can easily park my car there	12	13
It is a safer environment for getting money	11	25
Other	48	37

^a Responses are from gaming venue patrons who have used ATMs/EFTPOS facilities in ACT gaming venues in the last 12 months.

Source: Centre for Gambling Research (2004b, p. 105, table 38).

UMR Research also found food and drink as the primary use of withdrawn funds. 29 per cent of Australians using ATMs in clubs or pubs at least once every three months reported that they mostly use the money for food (76 per cent), drinks (70 per cent), spending money outside the club (70 per cent), gambling (35 per cent) and cigarettes (17 per cent) (sub. 164, p. 11).

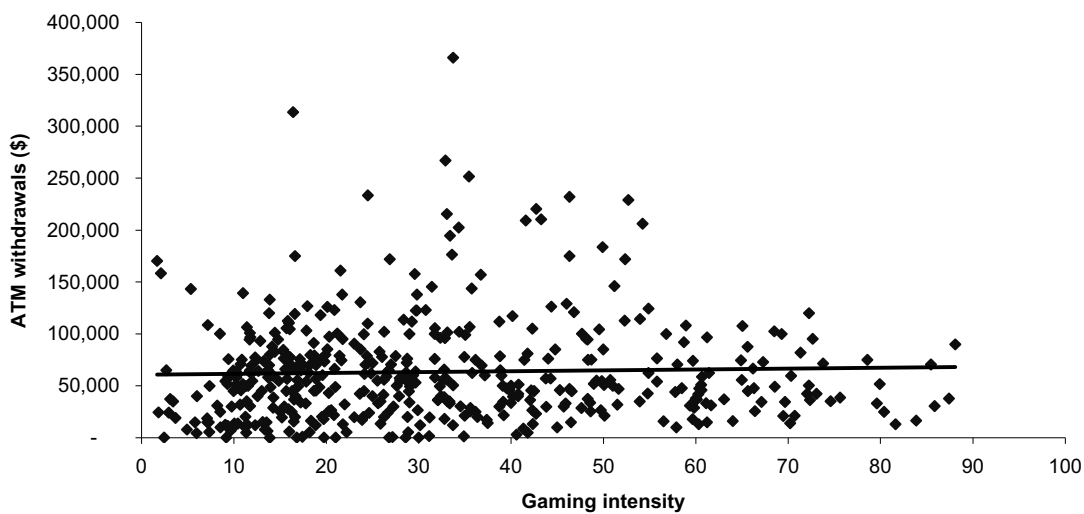
Other indirect evidence also suggested a weak link between ATM withdrawals and gambling (box G.1).

Box G.1 Are there links between gambling and ATM withdrawals?

If ATM withdrawals are primarily used to finance gambling, then there should be a positive correlation between ATM withdrawals and gambling expenditure in venues. In a report prepared for the Australian Hotels Association for this inquiry, PriceWaterhouseCoopers used information from its survey of over 1000 hotels to estimate the relationship between ATM withdrawals and 'gaming intensity' — defined as the ratio of gaming income to total hotel income (PWC 2009, referred to in sub. 175). It is apparent that there is little clear relationship (figure below).

However, the figure below does not control for the scale of the operation of the hotels. As an illustration, two hotels might have the same dependence on gaming, but could have different total revenues. Since ATM withdrawals would also be dependent on the overall revenue of the hotel, it could be expected that hotels with a given gaming intensity, but higher overall relative revenues would have higher withdrawals than other hotels with the same gaming intensity. This fact will tend to conceal any underlying relationship between ATM accessibility and gambling expenditure.

However, even if there was a connection between gambling and ATM withdrawals, this would not clearly establish the direction of causality.



Source: PWC (2009, p. 5).

In contrast, Caraniche (2005, table 5.45) found that 47 per cent of gaming machine players in Victoria accessed the ATM in the venue to obtain money for gambling compared with 9 per cent who obtained money for personal use, 4 per cent who obtained money for beverages and 4 per cent who obtained money for food.

The differences between this and the above two studies are likely to be due to the varying nature of the respondents (patrons generally in the Centre for Gambling Research and UMR Research studies and gaming machine players in Caraniche).

Commission estimates based on raw data from the Queensland household gambling survey 2008-09 of 15 000 adults indicated that 58 to 67 per cent of gamblers overall used money withdrawn from ATMs or EFTPOS facilities in a pub or club for drink, food or meals, with 21 to 24 per cent using the money for gambling (table G.4). These estimates are broadly consistent with Centre for Gambling Research and UMR Research studies. However, when considering the purpose to which withdrawals are put by *the type of gambler*, significantly more recreational gamblers (57 to 70 per cent) than problem gamblers (17 to 48 per cent) use the money for drink, food or meals at the pub or club and significantly more problem gamblers (98 to 100 per cent) than recreational gamblers (16 to 18 per cent) use the money for gambling.

Table G.4 Purposes to which money withdrawn from ATMs/EFTPOS facilities in Queensland pubs or clubs is put, 2008-09^a

<i>Purpose</i>	<i>Type of cash facility</i>	<i>Recreational gamblers^b</i>	<i>Low risk gamblers^c</i>	<i>Moderate risk gamblers^c</i>	<i>Problem gamblers^d</i>	<i>Total</i>
		%	%	%	%	%
Gambling at the pub or club	ATM	18.0	47.1	83.1	100.0	23.9
	EFTPOS	15.7	43.9	62.9	97.9	20.7
Food or meals at the pub or club	ATM	60.5	46.7	39.8	17.1	58.0
	EFTPOS	69.7	56.3	45.7	20.9	67.1
Drinks at the pub or club	ATM	59.9	62.4	58.8	47.5	60.0
	EFTPOS	57.4	60.5	61.7	47.0	57.7
Other expenses at the pub or club	ATM	4.4	4.5	4.0	1.4	4.4
	EFTPOS	3.8	4.2	7.3	3.8	3.9
Spending outside the pub or club	ATM	10.1	9.3	6.8	0.7	9.9
	EFTPOS	4.9	6.5	5.6	1.5	5.0

^a Commission estimates based on raw data from the Queensland household gambling survey for 2008-09 (questions 27 and 29). The 2008-09 survey was of 15 000 adults. ^b Recreational gamblers — CPGI (0). ^c Low risk gamblers — CPGI (1 or 2). ^d Moderate risk gamblers — CPGI (3 to 7). ^e Problem gamblers — CPGI (8+).

The link between ATMs/EFTPOS facilities in venues and problem gambling?

The threshold issue for judging the effectiveness of restrictions on ATMs/EFTPOS facilities is whether there is a link between ATMs/EFTPOS facilities in venues and the development of gambling problems.

The use of ATMs/EFTPOS facilities by problem gamblers

Despite the many different methodologies used, there is compelling evidence that at-risk and problem gamblers are more likely than other patrons of gambling venues to use ATMs and/or EFTPOS facilities in gambling venues, particularly on gaming machines (tables G.4 to G.10).

However, these results have to be carefully interpreted, as part of the association may reflect the greater cash needs of problem gamblers, rather than the presence of ATMs per se. The causal link is important because it raises the possibility that were ATMs removed, problem gamblers might obtain their cash from somewhere else, without altering their gambling behaviours by much. Further strands of evidence may help determine the magnitude of the competing effects.

Self-limiting behaviour by problem gamblers

Problem gamblers sometimes attempt to limit their gambling expenditure by adopting strategies that avoid using ATMs/EFTPOS facilities in venues — a strategy that only makes sense if they perceive a connection between the accessibility of cash facilities and their compulsion to gamble. For example, problem gamblers may leave debit and credit cards at home, ask financial institutions to set limits on cash withdrawals from accounts, and take only the cash that they need for gambling.

In its national survey of gambler pre-commitment behaviour, McDonnell-Phillips (2006) reported that problem gamblers nominated ‘leaving ATM card or credit card at home’, ‘taking only what you plan to spend’, and ‘avoiding using ATMs to withdraw money at gambling venues’ as more effective control strategies (p. 31, p. 260). Other research shows that some gamblers went to greater extremes, with around 3 per cent of self-identified problem gamblers and 3 per cent of immediate family members reporting that they cut up credit cards and ATM cards to try to stop excessive gambling (New Focus Research 2004).

Table G.5 Problem gamblers often access cash in venue to gamble, ACT and NSW

Risk group	Sometimes, often or always withdrew money to gamble		
	On gaming machines	On table games	On races
	%	%	%
ACT 2001 prevalence survey			
Recreational gamblers	3	8	..
SOGS 5+	47	25	..
SOGS 10+	74	28	..
NSW 2006 prevalence survey^a			
Non-regular gamblers	12	..	4
Non-problem gamblers	19	..	16
CPGI 0-2	32	..	24
CPGI 3+	52	..	34

^a The results for 'at risk' gamblers and low risk gamblers are based on small sample sizes and should be viewed with caution.

.. denotes where data were not available.

Sources: Australian Institute for Gambling Research (2001); AC Nielson (2007).

Table G.6 Frequency of accessing ATMs/EFTPOS facilities in a pub or club over the last 12 months, Queensland, 2008-09^a

Type of cash facility	Frequency	Recreational gamblers ^b	Low risk gamblers ^c	Moderate risk gamblers ^d	Problem gamblers ^e	Total
		%	%	%	%	%
ATMs	Never, rarely	79.5	54.2	30.5	13.3	76.5
	Sometimes, often, very often	20.4	45.8	67.8	86.7	23.3
EFTPOS facilities	Never, rarely	90.1	80.4	66.6	49.1	88.8
	Sometimes, often, very often	9.9	19.4	33.4	50.9	11.2

^a Commission estimates based on raw data from the Queensland household gambling survey for 2008-09 (questions 26 and 28). The 2008-09 survey was of 15 000 adults. ^b Recreational gamblers — CPGI (0). ^c Low risk gamblers — CPGI (1 or 2). ^d Moderate risk gamblers — CPGI (3 to 7). ^e Problem gamblers — CPGI (8+).

Table G.7 Accessing ATMs/EFTPOS facilities, Queensland, 2006-07 and 2008-09^a

By low risk, moderate risk and problem gamblers

Question	Frequency	Low risk gamblers ^b		Moderate risk gamblers ^c		Problem gamblers ^d		Total	
		06-07	08-09	06-07	08-09	06-07	08-09	06-07	08-09
		%	%	%	%	%	%	%	%
How often do you withdraw money at a venue ATM before you start gambling?	Never, rarely	55.9	57.9	34.5	37.3	8.8	25.5	48.2	51.2
	Sometimes, often, always	43.4	41.5	65.4	60.2	90	74.5	51.2	47.8
How often do you withdraw extra money at a venue ATM during a gambling session?	Never, rarely	74.7	82.3	45.9	43.7	8.3	23.7	64.2	69.8
	Sometimes, often, always	24.8	17.6	54.1	54.2	91.7	76.3	35.5	29.5
How often do you obtain cash through EFTPOS facilities at the venue?	Never, rarely	69.1	76.6	52.1	63.9	36.9	54.7	63.3	72.4
	Sometimes, often, always	30.5	23.3	47.9	33.9	63.1	45.3	36.4	27.1

^a Commission estimates based on raw data from the Queensland household gambling survey for 2006-07 (question 100) and 2008-09 (question 75). The 2006-07 survey was of 30 000 adults and the 2008-09 survey was of 15 000 adults. ^b Low risk gamblers — CPGI (1 or 2). ^c Moderate risk gamblers — CPGI (3 to 7). ^d Problem gamblers — CPGI (8+).

Table G.8 ATMs/EFTPOS withdrawals in ACT gaming venues, 2004^a

Venue	<i>Has withdrawn money from a facility in an ACT venue in last 12 months</i>							
	ATMs				EFTPOS facilities			
	<i>Non-gamblers</i>	<i>Recreational gamblers</i>	<i>Regular gamblers</i>	<i>Self-identified problem gamblers</i>	<i>Non-gamblers</i>	<i>Recreational gamblers</i>	<i>Regular gamblers</i>	<i>Self-identified problem gamblers</i>
	%	%	%	%	%	%	%	%
Club	32	64	84	100	7	13	41	100
Hotel/tavern	14	28	38	40	5	6	29	100
Casino	1	12	16	40	0	1	6	100
Canberra TAB outlet	0	0	0	0	0.7	0	6	100

^a Responses are from patrons who have accessed ATM/EFTPOS facilities anywhere in the ACT in the last 12 months. Percentage of responses has been rounded. The results of this ACT study are drawn from a small sample of self-identified problem gamblers and regular gamblers, and from a small sample of gaming venue EFTPOS users.

Source: Centre for Gambling Research (2004b, pp. 86–7, tables 18 and 19).

Table G.9 Withdrawal of money at a gaming venue for playing gaming machines, South Australia, 2005^a

Risk groups	<i>Savings or cheque accounts</i>		ATMs		EFTPOS facilities
	<i>Never, rarely</i>	<i>Sometimes, often, always</i>	<i>Never, rarely</i>	<i>Sometimes, often, always</i>	<i>Withdrew money</i>
	%	%	%	%	%
All players (n=5130)	90	10	85	14	0.6
Have played, but not frequently (n=3309)	95	5	90	9	0.3
Fortnightly players (n=663)	83	17	80	20	0
Weekly players (n=1158)	78	21	75	25	2
Low risk frequent players (n=330)	69	30	66	34	1
Moderate & high risk frequent gamblers (n=222)	37	63	35	65	3

^a The CPGI was used to assess the risk of gamblers. Percentages may not add to 100 per cent as some respondents did not know or disclose their answer to the survey question. Given the relatively large sample sizes used in the South Australian survey, these results are unlikely to be subject to high standard errors.

Source: Office for Problem Gambling (2006, pp. 169–70, 172–3, 178–9).

Table G.10 Other key studies of links between problem gambling and access to cash

<i>Study</i>	<i>Main findings</i>
Centre for Gambling Research (2004a)	The 2003 Victorian gambling prevalence survey found a slightly higher proportion of regular gamblers (33 per cent) than non-regular gamblers (25 per cent) reported that they sometimes, often or always withdraw money from an ATM at the venue for gambling (p. 75).
New Focus Research (2004)	5 per cent of 111 self-identified problem gamblers, 8 per cent of 49 'loved ones' and 17 per cent of 48 service providers reported that ATMs at a venue contributed to problem gamblers spending more money than intended (p. 40).
Caraniche (2005)	This Victorian study of the survey responses from 418 gaming machine players and 297 venue managers, found a significant relationship between gaming machine players who used an ATM and problem gambling. The frequency of ATM use increased with levels of spending, the amount of time spent in the venue, the frequency of playing gaming machines and the CPGI score. Players who were moderate risk and problem gamblers had significantly more withdrawals from an ATM than non-problem or low risk players. When compared with non-problem gamblers, problem gamblers used ATMs around six times more (table 5.10 of the study). ATM use was also an 'independent significant predictor' of problem gambling (near table 5.44).
McDonnell-Phillips (2006)	This national survey of the pre-commitment behaviour of 482 regular gamblers (comprising players of gaming machines and TAB punters) found that access to an ATM at a venue was among the top triggers for regular gamblers to exceed spending limits overall (pp. 21–2, 184); and more likely to send problem gamblers (CPGI) and moderate risk gamblers over the limit than low risk gamblers and non-problem gamblers (pp. 24, 193).
Martin and Moskos (2007)	This report to the South Australian Independent Gambling Authority on the implementation of (mandatory) Advertising and Responsible Gambling Codes, was based on four waves of longitudinal surveys between 2004 and 2005. The study found that 28 per cent of 43 problem gamblers, compared with 16 per cent of 233 recreational gamblers, used ATMs at gambling venues with gaming machines (p. 25).
SACES (2008b)	The 2007 Tasmanian gambling prevalence survey reported that 58 per cent of 55 moderate risk and problem gamblers (CPGI 3+) sometimes, often, or always withdrew money from ATMs at the casinos to play gaming machines compared with 23 per cent of 249 no risk or low risk players (p. 61). As the sample size of moderate risk and problem gamblers is small, caution is required in interpreting these results. Nonetheless, on the basis of larger sample sizes, the Tasmanian survey results indicate that a higher proportion of 140 monthly players (44 per cent) than of 732 infrequent players of gaming machines (12 per cent) use ATMs at the casinos (p. 45); and that a higher proportion of 211 monthly players of gaming machines (23 per cent) than of 627 infrequent players (13 per cent) use ATMs that are near hotels and clubs (p. 46).
Delfabbro et al. (2007)	This study on possible indicators of problem gamblers in venues found that multiple use of ATMs/EFTPOS facilities was significantly correlated with a higher risk of problem gambling behaviour, with 86 per cent of 125 venue staff from South Australia, the ACT and New South Wales had seen gamblers getting cash out on two or more occasions to gamble using an ATM or EFTPOS facility at the venue and 75 per cent considered that this cue or behaviour might be useful in identifying problem gamblers at venues (p. 125). Indeed, this cue or behaviour was endorsed by venue staff as one of the most important signs of problem gambling behaviour (p. 128). Ten of 15 problem gambling counsellors from South Australia had reported their clients getting cash out on two or more occasions to gamble using an ATM or EFTPOS facilities at the venue, and 13 reported that this cue or behaviour might be useful in identifying problem gamblers at venues (p. 139). In relation to 679 regular gamblers who played gaming machines, 73 per cent of 137 problem gamblers, 39 per cent of 144 moderate risk gamblers, 24 per cent of 117 low risk gamblers and 10 per cent of 281 no-risk gamblers reported that they occasionally, frequently or always got cash out on two or more occasions using an ATM or EFTPOS facility at the venue (p. 175). In terms of the visible indicators of problem gambling, getting cash out on two or more occasions using an ATM or EFTPOS facilities at the venue was 2 times more likely for problem gamblers than other gamblers (p. 186).
Hare (2009)	This Victorian study, based on a sample of 2332 gamblers, found that problem gamblers (CPGI 8+) had a greater tendency to use an ATM/EFTPOS/credit card for extra money for gambling during a single gambling session (p. 178). A card was used twice by 31 per cent of problem gamblers compared with 9 per cent of moderate risk gamblers, 3 per cent of low risk gamblers and less than 0.5 per cent of non problem gamblers; three times by 12 per cent of problem gamblers compared with 3 per cent of moderate risk gamblers, less than 0.4 per cent of low risk gamblers and less than 0.05 per cent of non-problem gamblers; four or more times by 10 per cent of problem gamblers compared with 3 per cent of moderate risk gamblers, 0.3 per cent of low risk gamblers and 0.1 per cent of non-problem gamblers.

A survey of 422 problem gamblers who had self-excluded themselves from New South Wales hotels through GameCare found that 83 per cent reported that ATM exclusion schemes would be at least somewhat effective. Around two thirds said they would participate in a scheme that either restricted their withdrawal amounts from gaming venue ATMs or that barred such withdrawals altogether (Sweeney Research 2009, pp. 8–9).

Overall, the evidence that some problem gamblers would like to impose limits on their use of ATMs/EFTPOS facilities, or would use ATM exclusion schemes, provides weight to the view that these in-venue facilities play a contributory role in their problems.

The preference of problem gamblers for removing ATMs from venues

The strong preference by problem gamblers to remove ATMs altogether from venues is also suggestive of the contributory role played by access to cash. For instance:

- New Focus Research (2004) found that nearly all self-identified problem gamblers (96 per cent), their immediate family (95 per cent) and treatment providers (98 per cent) said that banning ATMs at venues would reduce problem gambling (p. 46) and was one of the most highly rated of practical measures to reduce harm.
- In its national survey of gambler pre-commitment behaviour, McDonnell-Phillips (2006, p. 295) reported that among the 15 prompted ideas to help gamblers keep to their limits, ‘removing ATMs from gambling venues’ was rated first by problem gamblers as a useful policy.
- Analysis of responses to the Commission’s survey of counselling services clients found a similar result (appendix J), with 74 per cent of the clients considering that removing ATMs from venue would work well to reduce problems. The measure attracted the highest level of support of broad suite of measures proposed, which included pre-commitment measures.

Venue managers were more sceptical, although 38 per cent still considered that removing ATMs would be an effective harm minimisation measure (Caraniche 2005 table 6.39).

Overall, this evidence corroborates that the presence of ATMs/EFTPOS facilities in venues is likely to exacerbate gambling harms, though it would be useful to obtain additional evidence by using other analytical methods, and ensuring adequate evaluation of the impending ban on ATMs in gaming venues in Victoria (box G.2).

Summing up

There is considerable evidence that problem gamblers use ATMs/EFTPOS facilities more than other gamblers. Although this does not show the direction of causality, problem gamblers' preferences for removing ATMs from venues, or otherwise controlling their use, suggest that the presence of these facilities contributes to problem gambling.

This finding is not itself sufficient to justify the introduction of restrictions on ATMs/EFTPOS facilities in venues by governments. As discussed in chapters 3 and 13, it is important to consider whether the benefits from regulations addressing gambling harms are outweighed by any adverse impacts on other gamblers or members of the community. This will vary according to the type of restriction contemplated.

Box G.2 Further analysis might help

Further analysis of before and after effects from the introduction of ATM facilities might help clarify the impacts of ATMs on gambling expenditure. If gambling expenditure were to rise relative to non-gaming revenue after the introduction of ATMs, that would suggest that, when a cash facility was provided, patrons had a higher propensity to withdraw money for gambling than other services. Such a higher propensity would be more characteristic of problem gamblers impulsively withdrawing money to gamble than of recreational gamblers, and so might provide another lens on the effects of ATMs.

Such analysis could be undertaken by choosing a random sample of venues that are about to introduce ATMs, and collecting gambling revenue and non-gambling revenue data from those venues at least three months before and after the introduction of the ATMs. After controlling for venues' overall revenue size, the effects of the introduction of ATMs could be assessed by modelling:

- the difference between gambling revenue data and non-gambling revenue data in the period before the ATM was introduced (pre-ATM model)
- the difference between the gambling revenue data and non-gambling revenue data in the period subsequent to the introduction of the ATM (post-ATM model).

No such analysis has yet been undertaken, but might add further to an understanding of the impacts of ATMs. An approach similar to this could potentially be used 'in reverse' to assess the impacts of the impending ban on ATMs in Victoria. If the ban is effective, it should depress gaming revenues by more than non-gaming revenues.

The impacts of re-locating ATMs

Locating ATMs to outside gaming rooms

ATMs are not generally permitted inside gaming rooms, although that was not always the case. The evidence shows that people generally support some distance between ATMs and gaming machines — suggesting that there is a general view that even short distances may have an impact on cash withdrawal behaviour (table G.11). However, problem gamblers do not share this perspective, with very few considering such locational changes an important way of helping them control their spending (McDonnell-Phillips 2006, pp. 279, 295).

Table G.11 Extent of support for removing ATMs from the gaming floor

	<i>Members of two Sydney clubs^a</i>	<i>ACT residents^b</i>	<i>ACT recreational gamblers^b</i>	<i>Victorian gaming machine players^c</i>
	%	%	%	%
Cash facilities should be outside gambling area	65	72	67	39

^a From Hing (2003) based on around 950 respondents. ^b Centre for Gambling Research (2004b, pp. 118–9, figure 20 and table 48) based on people who *disagreed* that ATMs and EFTPOS facilities should be permitted in gaming rooms. ^c Caraniche (2005).

As ATMs are typically already outside gaming rooms, the focus of policy attention has shifted to the desirability of having them inside gambling venues at all (chapter 13), with a ban being proposed in Victoria.

Re-location of ATMs to outside gambling venues altogether

As discussed above, problem gamblers *say* that banning ATMs/EFTPOS facilities within gambling venues might help them, but there is little evidence of the likely behavioural responses of problem gamblers to such a ban.

Delfabbro et al. (2007) raise doubts that a ban would help problem gamblers. They found that:

- Seventy two per cent of 125 venue staff from South Australia, the ACT and New South Wales reported seeing gamblers leaving the venue to find money to continue gambling and 73 per cent reported that this cue or behaviour might be useful in identifying problem gamblers at venues (p. 125). Indeed, this cue or behaviour was endorsed by venue staff as an important sign of problem gambling behaviour (p. 128).

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- Ten of 15 problem gambling counsellors from South Australia reported their clients leaving the venue to find money to continue gambling (p. 139). (Indeed, twelve considered that this behaviour might be useful in identifying problem gamblers in venues.)
 - in relation to 679 regular gamblers who played gaming machines, 64 per cent of 137 problem gamblers (CPGI), 22 per cent of 144 moderate risk gamblers, 3 per cent of 117 low risk gamblers and 4 per cent of 281 no-risk gamblers reported that they occasionally, frequently or always leave the venue to find money to continue gambling (p. 17)
 - problem gamblers were 3.7 times more likely to leave the venue to find money to continue gambling than other gamblers (p. 186).

There are also some risks associated with relocating ATMs outside venues. Seven per cent of 297 venue managers in Victoria reported that gaming machine players were leaving the venue to use ATMs with credit facilities — with the additional problems that accumulating debt may entail — whereas access to credit is not permitted inside venues (Caraniche 2005, table 6.20).

That said, re-location of ATM facilities outside a venue creates a gap in play and a change in the environment facing the gambler, which may allow reflection about whether to continue gambling. It was reported to the Commission that when smoking bans were introduced, a significant share of gamblers having a break to smoke outside the venue did not return to the venue for further gambling. In that context, it could be expected that *some* problem gamblers would reduce their spending were ATMs not so easily accessible.

Other evidence supports this conjecture. Problem gamblers were much more likely to predict an impact of the removal of ATMs on their gambling than other gamblers. A significant minority of problem gamblers said that a ban would lead to a more enjoyable playing experience, presumably because a ban would reduce one avenue for costly impulsivity. The fact that it might reduce playing enjoyment for another significant group of problem gamblers is not necessarily problematic, if that prompts re-consideration of their playing behaviours.

Removing ATMs does not eliminate all means of accessing cash from gambling venues, since EFTPOS facilities would still be available. However, the survey evidence suggests that EFTPOS is not a close substitute to ATMs for cash withdrawals (table G.12). EFTPOS transactions involve an interaction with a cashier, entailing some inconvenience, but also awareness by the gambler that repeat transactions would be readily observable by venue staff.

Recreational gamblers' enjoyment

Recreational gamblers perceive relatively little inconvenience associated with a ban. Based on a survey of 1000 Victorian gaming machine players, Schottler Consulting (2009a) found that most non-problem gamblers say they would not be affected by a ban, and some claimed it would make their playing experience more enjoyable (table G.13).

This is corroborated by Commission estimates based on raw data from the Queensland household gambling survey for 2008-09 of 15 000 adults that around 80 per cent of recreational gamblers *never or rarely used* ATMs in a pub or club (table G.6).

However, despite its apparently modest impacts on them, support for a ban is less strong among the adult population or gamblers generally (table G.14), than among problem gamblers or those that are familiar with problem gambling.

Table G.12 Impacts of having to use EFTPOS through a cashier at venues, Victoria, 2008

Per cent of gaming machine players

<i>Impact</i>	<i>Having to ask a cashier for an EFTPOS withdrawal every time you need to access cash while at a pokies venue. If this was required to access cash, how would this affect your play?</i>			
	<i>Non-problem gamblers (n=703)</i>	<i>Low risk gamblers (n=192)</i>	<i>Moderate risk gamblers (n=80)</i>	<i>Problem gamblers (n=25)</i>
Enjoyment				
Increase	1	3	4	21
About the same	77	64	47	39
Decrease	22	33	49	40
Money spent				
Increase	0	0	0	15
About the same	75	57	53	23
Decrease	25	43	47	62
Session length				
Increase	0	0	4	15
About the same	74	58	48	29
Decrease	26	42	48	56
Play frequency				
Increase	1	1	0	15
About the same	70	56	51	28
Decrease	29	43	49	57

Source: Schottler Consulting (2009a, p. 71).

Table G.13 Impacts of not having ATMs in gambling venues on enjoyment of playing gaming machines, Victoria, 2008

Per cent of gaming machine players

<i>Impact</i>	<i>To what degree does no ATM being available in gambling venues from 2012 affect your overall enjoyment of the pokies?</i>			
	<i>Non-problem gamblers (n=703)</i>	<i>Low risk gamblers (n=192)</i>	<i>Moderate risk gamblers (n=80)</i>	<i>Problem gamblers (n=25)</i>
Has no effect at all	86	75	49	51
Makes play more enjoyable	4	6	16	26
Makes play less enjoyable	9	20	35	22

Source: Schottler Consulting (2009a, p. 73).

Table G.14 Extent of support for banning access to cash in venues

<i>Relevant group</i>	<i>ATMs removed</i>		<i>EFTPOS facilities removed</i>	
	<i>Agree</i>	<i>Disagree</i>	<i>Agree</i>	<i>Disagree</i>
	%	%	%	%
ACT residents (n=755)	47	43	45	45
ACT recreational gamblers (n=115)	35	55	30	56
Victorian gaming machine players (n=418)	56	..	..	..
Australian adults	29	56	..	..

Sources: Data on ACT residents and recreational gamblers — Centre for Gambling Research (2004b, pp. 118–20, figure 20 and table 48); data on Victorian gaming machine players — Caraniche (2005, table 5.46); data on Australian adults — UMR Research (referred to in Clubs Australia, sub. 164, p. 11).

The impacts of withdrawal limits

Restrictions on withdrawal amounts from in-venue ATMs are an alternative type of measure. While there is limited information about the behavioural responses of gamblers to regulated limits, there is some evidence that problem gamblers might circumvent such limits by going to an ATM outside the venue or making multiple visits to an ATM and withdrawing up to the regulated limit on each occasion (Caraniche 2005, table 5.42 and 6.20). Only a small share of problem gamblers considered limits as a useful strategy for controlling spending (McDonnell-Phillips 2006, p. 282).

Nevertheless, such limits might have beneficial effects at the margin — depending on the detail of any arrangements. And there was strong support for limits on withdrawals by gamblers and the population as a whole, suggesting relatively little inconvenience from such a policy measure (table G.15). The support was greatest

for limits on the daily value of transactions, a regulatory measure with greater likely efficacy for problem gambling. There was somewhat less support for regulations that allowed multiple transactions, but that restricted the amounts that could be withdrawn on each occasion.

Table G.15 Extent of support for withdrawal limits

<i>Group</i>	<i>Daily withdrawal limits on ATMs</i>	<i>Limits per transaction on ATMs</i>
	<i>Agreed</i>	<i>Agreed</i>
	<i>%</i>	<i>%</i>
Victorian gamblers ^a	86	..
Victorian non-gamblers ^a	87	..
ACT residents (n=755) ^b	86	..
ACT recreational gamblers (n=115) ^b	88	..
Victorian gaming machine players ^c	77	61
Victorian gaming venue managers ^c	..	48

^a Centre for Gambling Research (2004a) in relation to a \$200 a day limit. ^b Centre for Gambling Research (2004b, pp. 118–20, figure 20 and table 48). ^c Caraniche 2005, tables 5.49, 5.51, 5.52 and 6.37).

.. denotes where data were not available.

Evidence on appropriate withdrawal limits

Ideally, any withdrawal limit has to assist at-risk and problem gamblers, while not unduly affecting recreational gamblers and other patrons of gambling venues.

The evidence suggests a relatively low average transaction value of around \$100 (table G.16), which suggests some scope for setting a limit that allows many people to still make withdrawals, while curbing impulsive withdrawals by problem gamblers. Similarly, the Returned and Services League (RSL) of Australia (Victorian Branch) noted that the average transaction from an ATM located inside a Victorian RSL club is \$107 (sub. 245, p. 3).

However, many people will make withdrawals that vary from the average — and it is these variations that are central to the effective setting of limits. There is compelling evidence that problem gamblers tend to withdraw more than others (table G.17), and that they tend to bring more cash to venues than other patrons — consistent with their high-intensity playing style (table G.18).

Table G.16 Average value of an ATM withdrawal in hospitality venues serviced by the ATM Industry Reference Group^{a b}

<i>State</i>	<i>Average ATM withdrawal</i>
	\$
New South Wales	110.14
Victoria	98.21
Queensland	100.54
South Australia	98.66
Western Australia	98.19

^a Excludes casinos. ^b Based on 4935 ATMs operated by ATM Industry Reference Group members.

Source: ATM Industry Reference Group (sub. 137, p. 5).

Table G.17 Usual amount withdrawn from ATMs/EFTPOS at any one time in ACT gaming venues, 2004^a

<i>Amounts</i>	<i>ATMs</i>				<i>EFTPOS facilities</i>			
	<i>Non-gambler</i>	<i>Recreational gambler</i>	<i>Regular gambler</i>	<i>Self-identified problem gambler</i>	<i>Non-gambler</i>	<i>Recreational gambler</i>	<i>Regular gambler</i>	<i>Self-identified problem gambler</i>
	%	%	%	%	%	%	%	%
	(n)	(n)	(n)	(n)	(n)	(n)	(n)	(n)
\$50 or less	48 (72)	45 (31)	22 (6)	40 (4)	68 (19)	58 (7)	50 (4)	-
\$51 to \$100	39 (59)	44 (30)	44 (12)	30 (3)	21 (6)	33 (4)	25 (2)	-
\$101 to \$200	9 (14)	10 (7)	4 (6)	30 (3)	11 (3)	8 (1)	13 (1)	-
\$201 to 500	4 (6)	1 (1)	4 (1)	-	-	-	-	-
\$501 to \$1000	-	-	-	-	-	-	-	-
> \$1000	-	-	-	-	-	-	-	-

^a Responses from patrons who have withdrawn money from ATMs/EFTPOS facilities in ACT gaming venues in the last 12 months. Some shares do not add to 100 per cent due to rounding and non-responses/don't knows.

Source: Centre for Gambling Research (2004b, p. 93, tables 22 and 24).

Table G.18 Amount of money brought to gamble (even if not spent) in past year, Victoria, 2008^a

	<i>Non-problem gamblers</i>	<i>Low risk gamblers</i>	<i>Moderate risk gamblers</i>	<i>Problem gamblers</i>	<i>Victorian adult gamblers</i>
n=4674	%	%	%	%	%
No money brought at all	10.3	5.7	3.3	6.4	8.8
<\$20	31.3	20.6	12.2	2.2	27.2
\$20 to 50	19.4	26.0	21.9	10.9	20.6
\$50 to 100	30.9	28.6	35.0	33.8	30.8
\$100 to 200	4.9	10.8	15.8	29.9	7.5
>\$200	3.1	8.3	11.9	16.8	5.1

^a Based on the CPGL.

Source: Hare (2009, p. 175, table 72).

G.4 Restrictions on using credit for gambling

Most jurisdictions have express restrictions on the use of credit for gambling in venues. These are typically of the following forms:

- bans on ‘credit gambling’, which are bans imposed on venues, or their employees, from offering credit or loans to patrons for the purpose of gambling
- restrictions on the use of credit cards or access to credit accounts through ATMs/EFTPOS facilities in gambling venues for gambling.

Various reports have supported this position:

- KPMG recommended that the Australian Government negotiate with the states and territories to ensure that all ATMs that serve gaming locations do not enable access to credit accounts (2002, p. 5).
- IPART (2004) recommended that the New South Wales prohibition on credit for gaming applying at the time should continue without amendment (p. 67). (However, it did note participants’ observations that lotteries might be different given their low risk and the fact that lottery agents tended to sell other products through credit.)
- The Centre for Gambling Research considered that restrictions on accessing credit accounts in the ACT from ATMs/EFTPOS facilities be clarified to improve the effectiveness of restrictions (2004b, p. 178). Interviews with venue managers found that some thought it was legal and offered the facility.

Gamblers and venue staff also generally support bans on credit access in venues — for example, Hing (2003, pp. 76, 78); Centre for Gambling Research (2004b, pp. 118–19) and Caraniche (2005, tables 5.50 and 6.36).⁵

The evidence suggests that most gamblers do not use credit to gamble, whether through preference or because of the existing constraints on access to credit in venues. Only between 2 and 7 per cent of gamblers access some form of credit to gamble (Centre for Gambling Research 2004b, p.95, figure 13; Centre for Gambling Research 2004a, p. 75; SACES 2008b, p. 44).

However, while gamblers generally do not gamble with money obtained through credit, this is not true for problem gamblers (tables G.19 to G.21). (This is why questions relating to credit use feature as part of problem gambling screens since using credit to gamble differentiates well between recreational and problem gambling.) Given that existing regulations bar the provision of cash advances or other forms of credit inside gambling venues, it seems likely that problem gamblers are obtaining loans or credit provision from outside venues.

Table G.19 Withdrawal of money using credit cards for gambling on gaming machines, South Australian gambling prevalence survey, 2005^a

<i>Frequency</i>	<i>All players (n=5130)</i>	<i>Have played, but not frequently (n=3309)</i>	<i>Fortnightly players (n=663)</i>	<i>Weekly players (n=1158)</i>	<i>Low risk frequent players (n=330)</i>	<i>Moderate and high risk frequent players (n=222)</i>
	%	%	%	%	%	%
Never, rarely	96	97	96	93	93	75
Sometimes, often or always	3.5	2	4	7	6	25

^a The CPGI was used to assess the risk of gamblers. Percentages may not add to 100 per cent as some respondents did not know or disclose their answer to the survey question.

Source: Office for Problem Gambling (2006, pp. 175–6).

⁵ However, an ACT survey found much smaller support for bans on cash advances (Centre for Gambling Research 2004b, pp. 118–19).

Table G.20 Problem gamblers use, or try to use, credit to gamble

<i>Source</i>	<i>Finding</i>
Australian Institute for Gambling Research (2001)	The 2001 ACT gambling prevalence survey found that 35 per cent of SOGS 5+ gamblers and 70 per cent of SOGS 10+ gamblers reported that they obtained cash advances from credit cards to gamble (p. 80).
Delfabbro et al. (2007)	<p>The study found that 38 per cent of 125 venue staff from South Australia, the ACT and New South Wales reported seeing gamblers asking for a loan or credit from the venue and 67 per cent reported that this cue or behaviour might be useful in identifying problem gamblers at venues (p. 125). Indeed, this cue or behaviour was endorsed by venue staff as one of the important signs of problem gambling behaviour (p. 128).</p> <p>Seven of 15 problem gambling counsellors from South Australia reported their clients asking for a loan or credit from the venue and 12 reported this cue or behaviour might be useful in identifying problem gamblers at venues (p. 139).</p> <p>In relation to 679 regular gamblers who played gaming machines, 9 per cent of 137 problem gamblers, none of the 144 moderate risk gamblers, none of the 117 low risk gamblers and 0.5 per cent of 281 no-risk gamblers reported that they occasionally, frequently or always asking for a loan or credit from venues (p. 176).</p> <p>Problem gamblers were 16 times more likely to ask for a loan or credit from venues than other gamblers (p. 186).</p>

Table G.21 Use of credit cards to get cash advances for gambling, Queensland, 2006-07 and 2008-09^a

<i>Frequency</i>	<i>Low risk gamblers^b</i>		<i>Moderate risk gamblers^c</i>		<i>Problem gamblers^d</i>		<i>Total</i>	
	<i>2006-07</i>	<i>2008-09</i>	<i>2006-07</i>	<i>2008-09</i>	<i>2006-07</i>	<i>2008-09</i>	<i>2006-07</i>	<i>2008-09</i>
	<i>%</i>	<i>%</i>	<i>%</i>	<i>%</i>	<i>%</i>	<i>%</i>	<i>%</i>	<i>%</i>
Never, rarely	94	93.2	80	89.9	74.6	73	89.7	91.3
Sometimes, often, always	5.2	6.6	20	8	25.4	27.1	9.7	8.1

^a Commission estimates based on raw data from the Queensland household gambling survey for 2006-07 (question 100) and 2008-09 (question 75). The 2006-07 survey was of 30 000 adults and the 2008-09 survey was of 15 000 adults. ^b Low risk gamblers — CPGI (1 or 2). ^c Moderate risk gamblers — CPGI (3 to 7). ^d Problem gamblers — CPGI (8+).

G.5 Payment of prizes as cash

All jurisdictions have introduced restrictions on the cash payment of winnings, although there are differences in the cash thresholds that apply and other related rules, such as probity checks and the immediacy with which cheques must be paid.

The few reviews that have assessed this issue have recommended the retention of at least some form of cheque payment for winnings:

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- IPART (2004, p. 17) recommended the continued reimbursement by cheque by NSW hotels and clubs of any credits from a gaming machine above \$1000, but also observed two possible flaws. First, the existing requirements could result in gamblers receiving \$1000 in cash and, perversely, a relatively very small amount by cheque (for instance, if there were credits of \$1005 on the machine). Secondly, there were concerns from gaming industry stakeholders about the number of cheques they had to issue.
 - In their study of ACT harm minimisation measures, McMillen and Pitt (2005) recommended the continuation of cheque payment of winnings above \$1000, but that the policy be monitored to obtain ‘more reliable objective’ information of its effects on small clubs and problem gamblers (p. 18).

In general, initiatives aimed at limiting cash payouts above a certain amount were endorsed by gamblers and, to a lesser extent, venue staff (table G.22).

Do gamblers ‘reinvest’ their prizes?

The trigger for cheque payment is excess credits on the machine (sometimes loosely referred to as ‘winnings’) above the prescribed threshold, not prizes per se. So a person might win a prize of \$2000, then ‘reinvest’ this amount and lose enough that their excess credits fell below the threshold level, without any cheque payment being necessary. Consequently, a threshold issue for assessment of cheque payment requirements is the extent to which gamblers reinvest their winnings from gaming machines. This appears to be widespread, especially among problem gamblers:

- In 2003, 38 per cent gamblers surveyed in Victoria (and 79 per cent of problem gamblers) reported sometimes, often or always spending their winnings (Centre for Gambling Research 2004a, p. 73, p. 105), with similar behaviour for gamblers in South Australia, the ACT and New South Wales (Delfabbro et al. (2007, p. 176)
- McDonnell-Phillips (2006, pp. 24, 184, 193) found gamblers, particularly problem ones, often exceeded their betting limits if they won large prizes (for example, \$100 to 200) — which is evidence of reinvestment
- Eighty per cent venue staff from South Australia, the ACT and New South Wales reported that they had seen gamblers ‘put large win amounts back into the machine and keeps playing’ and 70 per cent had reported this as a cue or behaviour that might be useful in identifying problem gamblers at venues (Delfabbro et al. 2007, p. 125). Indeed, this behaviour was seen by staff as one of the most important signs of problem gambling behaviour (p. 128). Ten of 15 problem gambling counsellors in South Australia had also reported this kind of reinvestment behaviour by their clients (Delfabbro et al. 2007, pp. 139, 141).

Table G.22 Extent of support for regulating cash payments

<i>Study</i>	<i>Finding</i>
Hing (2003)	Between 73 and 77 per cent of members in 10 Sydney clubs agreed that 'responsible gambling is more likely to happen when a club pays all big wins by cheque instead of cash' (p. 76). The measure was rated third of 13 listed responsible gambling measures (p. 78).
Caraniche (2005)	Seventy seven per cent of 418 gaming machine players in Victoria and 71 per cent of 297 venue managers reported that the payment of winnings or accumulated credits in excess of \$2000 by cheque was an effective harm minimisation measure (tables 5.75 and 6.40). However, problem gamblers were significantly different from the rest of the sample. Compared with 16 per cent of the overall sample of players of gaming machines, over one-quarter of problem gamblers stated that cheque payments were not an effective measure. (2005, near table 5.75)
McMillen and Pitt (2005)	Sixty per cent of 60 club managers in the ACT supported cash payment restrictions, but only 44 per cent considered the measure to be effective (pp. 101–2). Eighty five per cent of 45 club patrons supported cash payment restrictions, but 66 per cent considered the measure to be effective (pp. 112–15). Of 12 self-identified problem gamblers, 10 perceived the measure had no impact on their gambling (p. 118), with a large number reporting they frequently by passed the restriction (p. 123). However, 72 per cent reported that the restrictions placed an 'effective restraint' on the amount of money they gambled (p. 123).
McDonnell-Phillips (2006)	In a national survey, among the 15 prompted ideas for helping gamblers keep to their limits being able to deposit money from gambling directly into a bank account at the venue was rated in terms of its usefulness as first on the list by regular gamblers overall (p. 288) and as second by problem gamblers (p. 295) Being allowed to convert money to cheques at a chosen amount or having the ability to print own cheques was rated in terms of its usefulness as 11th on the list by regular gamblers overall (p. 288) and as seventh by problem gamblers (p. 295).

Accordingly, the evidence suggests that gamblers' reinvestment behaviours may partly undermine the intent of current cheque payment requirements.

Behavioural evidence tends to support this, with a significant share of at-risk gamblers deliberately seeking to avoid restrictions on the cash payment of winnings by gambling to below the cash threshold for a cheque. For instance, the 2006 New South Wales gambling prevalence survey found that nearly one in five problem gamblers behaved this way (table G.23). Evidence from the ACT and Victoria provide corroborating evidence for this behaviour (McMillen and Pitt 2005, pp. 97, 111, 122; Caraniche 2005, table 6.20).

G.6 Cashing of cheques

Most venues have their own policies about cashing patrons' cheques for gambling. Jurisdictions have also introduced mandatory restrictions on cheque cashing by

gambling venues, though cashing of cheques may be permitted outside the gaming area. Cheque-cashing restrictions can operate in conjunction with the cheque payment of winnings (such as in New South Wales). Cheque-cashing restrictions were generally favoured by players and venue staff (Hing 2003, pp. 76, 73; Caraniche 2005, tables 5.76 and 6.41).

State surveys of gambling prevalence show that only a very small proportion of gamblers cash cheques for gambling, though there is a higher propensity for higher risk gamblers to do so (tables G.24 to G.27).⁶ This finding was reinforced by a survey of venue staff and problem gambling counsellors (Delfabbro et al. 2007).⁷

Table G.23 Gambling away part of winnings to avoid payout by cheque, NSW gambling prevalence survey, 2006^a

<i>Frequency</i>	<i>Total NSW (n=634)</i>	<i>Non-regular gamblers (n=303)</i>	<i>Non-problem gamblers (n=154)</i>	<i>Low risk gamblers (n=79)</i>	<i>At risk gamblers (n=98)</i>
	%	%	%	%	%
Never, rarely	97	99	100	94	83
Sometimes, often, always	2	1	0	6	17

^a Base is NSW residents who played pokies/gaming machines in the last 12 months. Risk group defined by CPGI.

Source: AC Nielsen (2007, p. 88).

Table G.24 Cashing of cheques for gambling, Victorian gambling prevalence survey, 2003

	<i>All gamblers (n=906)</i>	<i>Regular gamblers^a</i>	<i>Non-regular gamblers^b</i>
	%	%	%
Never, rarely	98	95.5	99
Sometimes, often, always	2	4	1

^a Regular gamblers are those that participate at least weekly in gambling activities other than lottery games or scratch tickets. ^b Non-regular gamblers are those who participate in gambling activities other than lottery games and scratch tickets.

Source: Centre for Gambling Research (2004a, p. 75).

⁶ In addition to the tables shown below, the 2007 Tasmanian gambling prevalence survey indicated that less than 1 per cent of gaming machine players reported that they sometimes, often or always used cash cheques at venues to play gaming machines (SACES 2008b, p. 45).

⁷ Thirty six per cent of 125 venue staff from South Australia, the ACT and New South Wales reported seeing gamblers trying to cash cheques in the venue (p. 125). Around one in four problem gambling counsellors from South Australia reported their clients trying to cash cheques at the venue (p. 139).

Table G.25 Withdrawal of money using cash cheques for gambling on gaming machines, South Australia, 2005^a

<i>Frequency</i>	<i>All players</i> (n=5130)	<i>Have played, but not frequently</i> (n=3309)	<i>Fortnightly players</i> (n=663)	<i>Weekly players</i> (n=1158)	<i>Low risk frequent players</i> (n=330)	<i>Moderate and high risk frequent players</i> (n=222)
	%	%	%	%	%	%
Never, rarely	99	99	99	98	99	96
Sometimes, often, always	0.5	0.5	0.4	1.0	0.3	4

^a The CPGI was used to assess the problem gambling risk of the gamblers.

Source: Office for Problem Gambling (2006, pp. 176–7).

Table G.26 Cashing cheques for gambling at the venue, Queensland, 2006-07 and 2008-09^a

<i>Frequency</i>	<i>Low risk gamblers^b</i>		<i>Moderate risk gamblers^c</i>		<i>Problem gamblers^d</i>		<i>Total</i>	
	<i>2006-07</i>	<i>2008-09</i>	<i>2006-07</i>	<i>2008-09</i>	<i>2006-07</i>	<i>2008-09</i>	<i>2006-07</i>	<i>2008-09</i>
	%	%	%	%	%	%	%	%
Never, rarely	98.6	99.3	97	99.0	98	93.5	98.2	98.9
Sometimes, often, always	0.8	0.6	2.8	0.8	2	6.5	1.3	1.0

^a Commission estimates based on raw data from the Queensland household gambling survey for 2006-07 (question 100) and 2008-09 (question 75). The 2006-07 survey was of 30 000 adults and the 2008-09 survey was of 15 000 adults. ^b Low risk gamblers — CPGI (1 or 2). ^c Moderate risk gamblers — CPGI (3 to 7). ^d Problem gamblers — CPGI (8+).

Table G.27 Cashing cheques to gamble among regular gaming machine players

<i>Frequency</i>	<i>No risk gamblers</i> (n=281)	<i>Low risk gamblers</i> (n=117)	<i>Moderate risk gamblers</i> (144)	<i>Problem gamblers</i> (n=137)
	%	%	%	%
Occasionally, frequently, always	0	0	2	7

Source: Delfabbro et al. (2007, p. 177).