

# **InterChurch Gambling Taskforce**

## **Submission to Productivity Commission Issues Paper on Gambling**

**December 2009**

The Victorian InterChurch Gambling Taskforce welcomes this opportunity to make a submission in response to the Productivity Commission draft report on gambling in Australia.

### **Victorian InterChurch Gambling Taskforce**

The Victorian InterChurch Gambling Task Force was established in 1996 by the Heads of Churches in Victoria with the following objectives:

1. To increase awareness amongst the Churches about the broadening gambling industry and to potentially harmful effects on the common good.
2. To provide critical analysis and interpretation of research on gambling and the gambling industry, in particular the social and economic impacts and any other projects undertaken by the government, the Victorian Casino and Gaming Authority and the gambling industry.
3. At every level to communicate the alternatives to gambling as a solution to
  - a) individual personal problems
  - b) socio-economic development.
4. To call Government to further account for its integration of the gambling industry into its economic management.

### **Policy Framework**

The Taskforce strongly supports the Productivity Commission's views that:

- Public health and consumer policy frameworks provide the best basis for coherent gambling policies, emphasising the importance of policies that address the gambling environment as well as gamblers' behaviours.
- Even harm minimisation measures with modest efficacy may produce worthwhile net benefits so long as they do not also inadvertently generate excessive costs.
- There are pervasive uncertainties about which gambling policies can effectively reduce harm. Demanding a very high or potentially unachievable standard of proof about what works would risk policy paralysis in an area where there are demonstrably large costs from inaction.
- Policy needs to take account of both the costs of mistakenly introducing ineffective policies as well as the costs of failing to act when a policy option may in fact be effective.

The Taskforce also agrees with the Productivity Commission that the harms to the community from gambling extend beyond problem gambling and there is a need to focus on vulnerable individuals and communities and those engaged in risky gambling behaviour that may drift into problem gambling over time.

In addition to the policy objectives outlined on page 3.20, the Taskforce believes that government policy on gambling should seek to maximise the benefits to community where forms of gambling are legalised. Gambling policy should seek to address monopoly rents and excessive profits to the gambling industry, as often the risks for the gambling industry in carrying out their businesses are low and the risks are reduced by protection from competition. Further, excessive profits to the gambling industry will generally take money away from communities for general community benefits, compared to the situation of a higher proportion of gambling being taken in taxes to be used for purposes that benefit the community.

## **Gambling Information and Education**

The Taskforce supports the recommendations of the Productivity Commission on gambling warnings (recommendation 6.1) and on dynamic warnings (recommendation 6.3). The Taskforce shares the concerns about school-based programs (recommendation 6.2), without further evaluation of such programs, assesses both the benefits they deliver and the risks of increasing the likelihood that students will engage in risky or problematic gambling as a result of the school-based program.

## **Self Exclusion**

The Taskforce supports the recommendations of the Productivity Commission with regards to self-exclusion (recommendations 7.1 to 7.3). In addition the Taskforce believes there is a greater need to promote self-exclusion programs, noting that the 2003 Gambling Research Panel study on self-exclusion programs in Victoria recommended that “information relating to the self-exclusion program should be more prominently displayed within venues”.<sup>1</sup>

The Taskforce supports the requirement that a venue operator can only allow a person to revoke their self-exclusion at the end of the period of self-exclusion specified by the gambler when they entered the scheme or if they are able to produce a signed statement by a health professional specialising in problem gambling or problem gambling counsellor specifying the person does not have a gambling problem and is at a low risk of developing such a problem. The Taskforce notes that the requirement of a letter from a quantified problem gambling counsellor is a requirement for revocation of self-exclusion in the NSW legislation.<sup>2</sup>

The Taskforce strongly believes there is a need for an effective system for detection of people who have self-excluded to be introduced by venues. The Taskforce notes the findings of the Gambling Research Panel study into self-exclusion programs in 2003 that recommended that:<sup>3</sup>

*A new system of uniform identification should be investigated to restrict access to gaming areas. A system of identification specifically intended to overcome the flaws in the current system is necessary. It must be able to be enforced by individual venues and the Crown Casino. A statewide, uniform and comprehensive system of identification could also help to restrict access to gaming by minors.*

It was noted that the current system of identifying self-excluded patrons by physical photographs in EGM venues was flawed and resulted in systemic failure to detect people who had self-excluded entering the gaming areas of venues. The research found that some clubs and hotels had more than 100 self-excluded patrons and many had photographs for upwards of 60 to 80 self-excluded patrons.<sup>4</sup> It is not reasonable to expect venue staff to remember 60 to 80 faces in order to effectively implement the self-exclusion program in EGM venues. The report stated that “Interviews with self-excluded patrons indicate identification and detection failures are major features of the existing system and erode clients’ feelings of self-efficacy and confidence in the program.”<sup>5</sup> In exploring the stages that people who self-exclude go through it was noted that in the early stages:<sup>6</sup>

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<sup>1</sup> Michael O’Neil, Steve Whetton, Ben Dolman, Marianne Herbert, Voula Giannopoulos, Diana O’Neil and Jacqui Wordley, “Evaluation of Self-exclusion Programs”, Gambling Research Panel, February 2003, p. 15.

<sup>2</sup> Michael O’Neil, Steve Whetton, Ben Dolman, Marianne Herbert, Voula Giannopoulos, Diana O’Neil and Jacqui Wordley, “Evaluation of Self-exclusion Programs”, Gambling Research Panel, February 2003, p. 16.

<sup>3</sup> Michael O’Neil, Steve Whetton, Ben Dolman, Marianne Herbert, Voula Giannopoulos, Diana O’Neil and Jacqui Wordley, “Evaluation of Self-exclusion Programs”, Gambling Research Panel, February 2003, p. 14.

<sup>4</sup> Michael O’Neil, Steve Whetton, Ben Dolman, Marianne Herbert, Voula Giannopoulos, Diana O’Neil and Jacqui Wordley, “Evaluation of Self-exclusion Programs”, Gambling Research Panel, February 2003, p. 62.

<sup>5</sup> Michael O’Neil, Steve Whetton, Ben Dolman, Marianne Herbert, Voula Giannopoulos, Diana O’Neil and Jacqui Wordley, “Evaluation of Self-exclusion Programs”, Gambling Research Panel, February 2003, p. 11.

<sup>6</sup> Michael O’Neil, Steve Whetton, Ben Dolman, Marianne Herbert, Voula Giannopoulos, Diana O’Neil and Jacqui Wordley, “Evaluation of Self-exclusion Programs”, Gambling Research Panel, February 2003, p. 32.

*it is very important that the system really does work efficiently (i.e. excludes) because the temptation to slip through the net and to gamble at this stage is at least as strong as are any feelings of confidence.*

*If the industry and the community are serious about self-exclusion, then the confidence of self-excluded individuals needs to be supported until they at least reach the Maintenance stage. If the system lets them down during this Action stage (by 'not recognising the face', etc.) they can be very vulnerable to relapse and consequently lose confidence in themselves and the system.*

The report went on to state that:<sup>7</sup>

*The reliance on 'self' (certainly for problem gamblers who often experience a complexity of other related problems) is not theoretically based; rather it is administratively argued (principally, but not exclusively) to support a flawed detection and monitoring system, which the industry acknowledges cannot be enforced by venues under current arrangements.*

There is a need to address the issue of a small number of venues that may engage in wilful non-enforcement of self-exclusion commitments. The Gambling Research Panel report found that some people who had self-excluded believed that they were recognised but were not asked to leave the gaming area by venue staff.<sup>8</sup>

There should be a requirement for a gambling provider to issue a reminder letter to a person of their self-exclusion when they have been detected breaching their self-exclusion, as was recommended by the Gambling Research Panel study.<sup>9</sup>

Gambling providers should be required to keep a record of when a person entered a self-exclusion program and when that person exited the self-exclusion program, so that data about length of participation in self-exclusion programs is collected.

### **Loss limits and \$1 bet limits**

The Taskforce supports limiting losses on EGMs, with a restriction of no more than \$1,200 being able to be placed on an EGM per hour.

The Taskforce strongly supports a limit of \$20 on the EGM credit meter, so that additional funds could not be fed into the EGM until the amount on the credit meter was less than \$20 (recommendation 11.2).

The Taskforce strongly supports the introduction of a \$1 bet limit on EGMs (recommendation 11.1) and has done so since the first Productivity Commission report into gambling in 1999.

### **Pre-Commitment on EGMs**

The Taskforce strongly supports the introduction of a universal pre-commitment system on EGMs, that will allow gamblers to set binding limits (recommendations 7.4 and 7.5). The system should extend to all EGMs within a state across venues. The Taskforce supports the pre-commitment system having default limits that the gambler must choose to alter (opt out of) as opposed to assuming an infinite limit and the gambler having to 'opt in' by setting a limit. The Taskforce believes that it is essential that gamblers be required to enter the pre-

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<sup>7</sup> Michael O'Neil, Steve Whetton, Ben Dolman, Marianne Herbert, Voula Giannopoulos, Diana O'Neil and Jacqui Wordley, "Evaluation of Self-exclusion Programs", Gambling Research Panel, February 2003, p. 63.

<sup>8</sup> Michael O'Neil, Steve Whetton, Ben Dolman, Marianne Herbert, Voula Giannopoulos, Diana O'Neil and Jacqui Wordley, "Evaluation of Self-exclusion Programs", Gambling Research Panel, February 2003, p. 66.

<sup>9</sup> Michael O'Neil, Steve Whetton, Ben Dolman, Marianne Herbert, Voula Giannopoulos, Diana O'Neil and Jacqui Wordley, "Evaluation of Self-exclusion Programs", Gambling Research Panel, February 2003, pp. 14, 59.

commitment system when using EGMs and that there is no option to gamble without entering the pre-commitment system. Any pre-commitment system that allows a gambler to simply exit the system at any point of time and keep gambling means that a pre-commitment decision can be circumvented at any point in time. The ability to simply circumvent a pre-commitment decision during a gambling session would largely defeat the main utility of a pre-commitment system. Such a system should allow the gambler to set a limit free in a rational frame of mind away from a gambling session and ensure that such a decision cannot be altered in the middle of a gambling session where less rational decisions might otherwise be made. The Taskforce again notes that 57% of EGM gamblers had trouble staying within their limits and EGM gamblers were more likely than other gamblers to exceed their maximum spend limit and bet size limit.<sup>10</sup>

The pre-commitment system should also be able to provide gamblers with a history of their gambling in a consumer friendly format. It should not allow gambling providers to have access to a gambler's history for the purpose of targeting the gambler with individualised marketing aiming to increase the gambling activity of the gambler.

### **ATMs in Gaming Venues**

The Taskforce opposes recommendation 9.1 and believes that it could result in further increases in problem gambling. The Taskforce has anecdotal evidence that removing ATMs from the gambling area in EGM venues, but still allowing them to be in the venues increases the amount of money withdrawn from the ATM for the purposes of gambling. A former gaming floor manager stated to the Taskforce that when the Victorian Government required venues to remove ATMs from the gaming area the venue he was a manager in placed the ATM in the foyer. This resulted in a substantial increase in the amount of money withdrawn from the ATM and a substantial increase in the money lost on EGMs in the venue. The gaming floor manager speculated that this was because people who made multiple withdrawals for the purposes of gambling gained a greater sense of privacy with their withdrawals once the ATM was in the foyer compared to when the ATM was in the gaming area where patrons felt they could be observed more readily by staff. Further, the ATM was not far enough away to allow the gambler a genuine break from their session. He urged the Taskforce to seek removal of ATMs from EGM venues as what he believed would be an effective harm minimisation measure.

The Taskforce feels that the Productivity Commission did not give sufficient weight to the evidence presented in the previous submission of the Taskforce with regards to the role ATMs within venues play in facilitating problem gambling behaviour. A December 2005 report commissioned by the Victorian Gambling Research Panel, *Evaluation of Electronic Gaming Machine Harm Minimisation Measures in Victoria*, found most EGM gamblers access an ATM at least once during a gambling session. Gaming venue managers agreed that venue-based ATM-users are most likely to spend their withdrawals on gambling on EGMs.

The report found that research indicated that many EGM players were critical of the placement of ATM and EFTPOS facilities in venues (i.e. they are located in close proximity to the gaming area), indicating little confidence in their placement outside of gaming rooms, as required by law in Victoria, as an effective responsible gaming measure. Focus group research found the proximity of ATMs to EGMs means that money could be withdrawn and then inserted into a machine without sufficient time for thought of consequences.<sup>11</sup>

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<sup>10</sup> McDonnell Phillips Pty Ltd, "Analysis of Gambler Pre-Commitment Behaviour", Gambling Research Australia, June 2006, pp. 13, 15.

<sup>11</sup> Caraniche Pty Ltd, "Evaluation of Electronic Gaming Machine Harm Minimisation Measures in Victoria", Victorian Gambling Research Panel, Office of Gaming and Racing, Victorian Government Department of Justice, Melbourne, Victoria, December 2005, p. 31.

The report noted a 2004 study conducted in the ACT, where it was found that a greater proportion of regular gamblers (93%) and self-identified problem gamblers (90%) than recreational gamblers (70%) reported spending money withdrawn from venue ATMs on gambling. Of these groups, a large majority of gamblers (89%) spent gambling money withdrawn from an ATM in a gaming venue on gaming machines. Furthermore, a greater proportion of regular gamblers and self-identified problem gamblers reported withdrawing large amounts of money from venue located ATMs than did recreational gamblers. The same study also found that regular and problem gamblers tended to access ATMs at gaming venues more frequently than do recreational gamblers and non-gamblers.<sup>12</sup>

The 2005 report found that 41.6% of EGM gamblers never accessed ATMs. EGM gamblers who use an ATM at gaming venues rarely access it for the purpose of purchasing food and beverages (11.7%). Of those EGM gamblers who withdrew money from an ATM, 74% did so for the purposes of gambling.<sup>13</sup> Those who access an ATM more than twice do so exclusively to gamble. Frequency of ATM use by EGM gamblers is significantly correlated with the reason for accessing an ATM. The frequency of ATM use by an EGM gambler is connected with increased levels of spending, extended amounts of time in the gaming venue, the frequency of their gambling and their score on the problem gambling index. There is a significant relationship between problem gambling and EGM gamblers' usage of ATMs for gambling purposes, whereby moderate-risk and problem gamblers make significantly more withdrawals from an ATM than non-problem or low-risk gamblers.<sup>14</sup>

EGM gamblers, particularly those with problematic gambling behaviour, were found to make multiple withdrawals of less than \$200. EGM gamblers, both in country and metropolitan venues across hotels/pubs and clubs across Victoria, specifically stated that ATMs should be removed from gaming venues, and in doing so rank this as possibly the most effective measure that would be introduced in the future. Disconcertingly, more people with gambling problems report that an ATM should be located in the gaming area compared with those gamblers without problems.<sup>15</sup> The report concluded that "While locating ATMs outside of gaming areas allows EGM players some space or opportunity for thought and contemplation about further gambling – an enforced break-in-play – the accessibility to such facilities may still be too close to the gaming area as to negate this break."

The 2006 GRA report on gamblers pre-commitment found that access to an ATM in the venue was one of the reasons for gamblers breaking their pre-commitment limits that they had imposed on themselves.<sup>16</sup> It was also found that avoiding the use of an ATM and leaving the ATM card at home were key strategies employed by EGM gamblers to try to stay within their limits.<sup>17</sup> The second highest response from gamblers about how to assist them to stay within their self-imposed limits was that there should be no ATM in the venue, which was

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<sup>12</sup> Caraniche Pty Ltd, "Evaluation of Electronic Gaming Machine Harm Minimisation Measures in Victoria", Victorian Gambling Research Panel, Office of Gaming and Racing, Victorian Government Department of Justice, Melbourne, Victoria, December 2005, p.31.

<sup>13</sup> Caraniche Pty Ltd, "Evaluation of Electronic Gaming Machine Harm Minimisation Measures in Victoria", Victorian Gambling Research Panel, Office of Gaming and Racing, Victorian Government Department of Justice, Melbourne, Victoria, December 2005, p. 93.

<sup>14</sup> Caraniche Pty Ltd, "Evaluation of Electronic Gaming Machine Harm Minimisation Measures in Victoria", Victorian Gambling Research Panel, Office of Gaming and Racing, Victorian Government Department of Justice, Melbourne, Victoria, December 2005, p. xxv.

<sup>15</sup> Caraniche Pty Ltd, "Evaluation of Electronic Gaming Machine Harm Minimisation Measures in Victoria", Victorian Gambling Research Panel, Office of Gaming and Racing, Victorian Government Department of Justice, Melbourne, Victoria, December 2005, p. xxv.

<sup>16</sup> McDonnell Phillips Pty Ltd, "Analysis of Gambler Pre-Commitment Behaviour", Gambling Research Australia, June 2006, p. 21.

<sup>17</sup> McDonnell Phillips Pty Ltd, pp. 29, 31.

favoured by 17% of all gamblers, 14% of EGM gamblers and 16% of people with gambling problems as an unprompted response from gamblers.<sup>18</sup> It was the most selected measure that people with gambling problems identified as assisting them to stay within their limits from a prompted list.<sup>19</sup>

### **Statutory Provisions to seek redress**

The Taskforce strongly supports statutory provisions to enable gamblers to seek redress through the courts for egregious behaviour by venues (recommendation 8.2).

### **Staff Training**

The Taskforce believe that EGM venues should be required to ensure staff are trained to identify likely signs that a person has a gambling problem and provide appropriate interventions. Such signs should include:<sup>20</sup>

- a) Self disclosure that the person has a gambling problem;
- b) Using a disguise;
- c) Trying to sell items in the venue to raise money to continue gambling;
- d) Requests to borrow money from staff or other customers;
- e) Repeated visits to an ATM to withdraw money to continue gambling;
- f) Have left minors unattended while gambling;
- g) Are displaying signs of drowsiness while gambling;
- h) Are gambling for extended periods (this may vary depending on the form of gambling activity);
- i) Admits to being unable to stop gambling within their means;
- j) Expresses concern about the amount of time or money they have spent gambling;
- k) Has disagreements with friends or family about their gambling within the gambling venue; and
- l) Seeks advice about how to control their gambling.

A study in South Australia found that most indicators identified by the self-report study of gamblers as being signs of problem gambling could be observed in venues, and that many were observable within single observation sessions. “Indeed, a number of patrons displayed clusters or sequence of behaviour that would give them a 70% probability of being classified as a problem gambler.<sup>21</sup> The Taskforce notes that the indicators of a possible gambling problem (a) to (e) above “are highly objective and subject to little variation in interpretation”.<sup>22</sup>

Items (i) to (l) are included as warning signs or behaviours that would typically identify a gambling problem in the ACT *Gambling and Racing Control (Code of Practice) Regulation 2002*.

### **Inducements**

The Taskforce supports a prohibition on the offering of inducements to gamblers that are likely to lead to problem gambling, or are likely to exacerbate existing problems (recommendation 8.4).

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<sup>18</sup> McDonnell Phillips Pty Ltd, p. 34.

<sup>19</sup> McDonnell Phillips Pty Ltd, p. 36.

<sup>20</sup> Paul Delfabbro, Alexandra Osborn, Maurice Nevile, Louise Skelt and Jan McMillen, “Identifying Problem Gamblers in Gambling Venues”, Gambling Research Australia, November 2007.

<sup>21</sup> Paul Delfabbro, Alexandra Osborn, Maurice Nevile, Louise Skelt and Jan McMillen, “Identifying Problem Gamblers in Gambling Venues”, Gambling Research Australia, November 2007, p.17.

<sup>22</sup> Paul Delfabbro, Alexandra Osborn, Maurice Nevile, Louise Skelt and Jan McMillen, “Identifying Problem Gamblers in Gambling Venues”, Gambling Research Australia, November 2007, p. 18.

### **EGM Venue opening hours**

The Taskforce supports EGM venues being required to close earlier and for a longer period to allow gamblers a break and the opportunity to rationally consider their gambling decisions (recommendation 10.1).

### **Winnings**

The Taskforce supports the Commission's recommendation for a national standard based on Queensland with regards to winnings over \$250 having to be paid by cheque or deposited directly into the gambler's account (recommendation 9.3). The Taskforce is not supportive of an exemption for high rollers and international visitors in casinos unless there are adequate 'know-your-customer' provisions placed on the casino so that the casino knows that the money the gambler is using comes from a legitimate source. There are a number of cases where 'high rollers' have lost money they have stolen from their employer or others and currently casinos argue they have no responsibility to determine the source of such funds, other than what is required under anti-money laundering legislation.

The Taskforce supports that gambling venues should not be permitted to cash cheques of winnings, as is already the case in Victoria (recommendation 9.4).

The Taskforce believes that gambling venues should not be able to cash cheques from patrons made out to cash. The Taskforce sees no need for such a practice, given the widespread availability of EFTPOS within venues. This goes further than the current draft recommendation 9.4.

### **Linked Jackpots**

Linked jackpots may encourage problem gambling behaviour, encouraging EGM gamblers to spend more than they otherwise would in the hope of a large win. A Victorian Department of Human Services report on the impact of gambling on women found that jackpots influenced the amount of time and money spent and on the frequency of gambling on EGMs<sup>23</sup>. A moratorium should be placed on all EGM linked jackpots until credible research is conducted to demonstrate conclusively that linked jackpots do not contribute to problem gambling behaviours.

### **On-Line Gambling**

The Taskforce strongly opposes the Productivity Commission that on-line gambling be liberalised, accompanied by strong harm minimisation (recommendation 12.1). The Taskforce acknowledges that currently a very small proportion of Australians access on-line gaming sites and there is a severe lack of knowledge about this population and the proportion of people gambling problems related to their use of this form of gambling.

The Taskforce is concerned that a regulated on-line gaming environment may result in a significant increase in those that gamble on on-line gaming sites. Once on-line gaming is legalised in Australia, it is likely for such sites to advertise across a range of media to attract people to gamble on their sites and may be able to offer enticements to do so. Thus, even with regulated harm minimisation measures, any reduction in problem gambling due to the regulated environment may be offset by an increase in the number of gamblers. That is the total number of people with gambling problems related to on-line gaming may increase as a result of an increased number of people gambling on such sites, even if the proportion of such people with gambling problems decreases.

Further, it will be impossible to regulate offshore on-line gaming sites. Thus, such sites will not have to offer the harm minimisation measures that might be required of sites based in

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<sup>23</sup> Victorian Department of Human Services, "Playing for Time. Exploring the Impacts of Gambling on Women", Melbourne, March 2000, p. xiii.

Australia. It is not known if gamblers using on-line gaming sites within Australia, might not then migrate to use sites located offshore without the same consumer protection measures with an increased risk of developing a gambling problem as a result. This seems a likely risk as having to offer consumer protection measures is likely to reduce the profits of Australian based sites, meaning that off-shore sites will be able to offer better odds and return to player compared to Australian sites meaning they may be able to out compete Australian sites on price to the gambler.

The Commission makes the arguments that on-line gamblers are more likely to be observed by their families, but we do not have accurate data on how many on-line gamblers are living in situations where this is likely to be the outcome. The Commission also assumes that gamblers who gamble on-line and get a record of their transactions will be more likely to remain in control of their gambling, but without any research that backs up this assumption. The argument would seem to suggest that allowing gamblers to gamble by credit card on other forms of gambling would also be a harm reduction measure as the gambler would get a credit card statement. Clearly, this has not been demonstrated to be the case.

With the exception of opt-out pre-commitment limits, all the harm minimisation measures recommended by the Commission in recommendation 12.1 require the gambler to take action to avoid problem gambling and risky gambling. Provision of account information, self-exclusion and automated warnings all require the gambler to make rational decisions about their gambling behaviour. There would also be a need for mandatory safeguards, such as bet limits and speed of play restrictions. Even then, there is very limited research to determine how effective such harm minimisation measures would be in an on-line environment.

Significantly greater research is required into who would gamble on on-line gaming sites and the likely prevalence of problem gambling amongst this population before it could be known with any confidence if a liberalised approach to on-line gaming would result in a net increase or reduction in on-line gambling related harm.

### **Monopoly Rent**

The Taskforce is disappointed that the Productivity Commission draft report did not address the issue of if the gambling industry, and especially the EGM industry, is extracting monopoly rents from gamblers. The Taskforce remains concerned that the high levels of revenue share gained by venues encourages them to maximise EGM revenue.

The National Competition Policy (NCP) Review of November 2000 for Victoria used 1999 figures to argue the operators had an Internal Rate of Return in excess of 27% and a monopoly rent of between \$200 million to \$500 million a year. The Victorian Government rejected these figures arguing that this was an inflated figure. They introduced a tax of \$1533 per EGM, or \$21 million per operator. It was a flat charge that did not increase with the increasing revenue to the industry over time.

EGM venues get an unfair advantage over local competitors that do not have EGMs, having extra cash to discount meals and drinks and upgrade facilities. This creates unfair competition which is bad for the community as it means it is harder for venues without EGMs to compete with those venues that do.

The Taskforce is of the view that a higher proportion of taxation is required to increase community benefit from allowing for legalised EGMs and to reduce incentives for operators and venues to maximise revenue. The Taskforce believes that it is through Government taking a greater share of EGM revenue that the community benefits of EGMs can be maximised. However, at the same time the Taskforce continues to believe that the Government needs to overcome its dependence on EGM revenue. Thus, while the Taskforce supports the Government taking a greater share of EGM revenue, it believes that overall



revenue should be reduced by the introduction of a range of harm minimization measures to reduce problem gambling. The Taskforce would ask that the Productivity Commission explore if parts of the gambling industry are able to extract more than what should be the market price for gambling products and are permitted to keep an excessive share of the revenue so gained.

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