

Hello, my name is Ricky Vikas.

I am part of a large community of Australian poker players who having a growing concern about the future of online poker in Australia. Collectively, we are concerned that the IGA amendment may threaten our ability to enjoy playing online poker from our homes if a suitable provision is not included allowing reputable operators to apply for a license to offer online poker games to Australians.

I have been playing poker since the last end of my first year of university (2013) and after a couple of months of playing and studying the game, I was able to sufficiently supplement my income. The flexible nature of online poker allowed me to effectively balance my tertiary studies with my ability to support myself financially. Since I experienced online poker during my tertiary education, I will address points from a student perspective, regarding poker and the impact the IGA amendment will have on the overall Australian poker industry.

I would firstly like to emphasise, as many of my peers would, that poker is a hybrid game of skill and luck. I would also like to argue that as individuals increase their volume (which is typically measured by the amount of hands played) the impact of luck on becoming a winning player diminishes exponentially. To be extremely successful at the game, players need to have a very solid grasp of both statistics and game theory (branch of economics). The game of poker has evolved so much in the last few years that many of the top universities in the US, like MIT, have introduced courses that explore the application of game theory and statistics. Since many university students undertake statistics, online poker is a favourable and profitable hobby for many students.

The next issue that arises from this amendment is that it will structurally change the poker industry within Australia. More players, particularly students who play online, will transition to live poker as they continue to chase the profitability of the game. However live poker has a multitude of issues:

1. Live casinos, particularly in Sydney, do not offer stakes that are affordable for students. Online poker caters for all skill and income level of players. Online poker sites offer cash games starting from 2 cent blinds (maximum buy in of 2\$ at these tables) as well as tournaments from as low as 11 cents. Live cash games offered by Sydney casino start from 3\$ blinds (maximum buyin of 500\$). Therefore students who transition to live (in the Sydney region) will be exposed to greater income fluctuations as the stakes are so much higher.
2. Casinos in Australia have the highest relative rake in the world. Rake is the amount of money the casino takes from every pot. By removing online poker, casinos will have very little competition and will essentially have a monopoly over poker games which may encourage them to further increase the rake in these games which reduces the profitability of winning players.
3. Live poker is very slow. As i mentioned before, the game becomes more about skill when higher volumes are achieved. On average, a regular live poker player will play approximately 30 hands an hour. An online poker player can play anywhere from 1-2000 hands an hour depending on the number of tables they play. Therefore variance within a live game is much higher which results in greater swings in income.

4. There is currently no method that allows live poker players to track and record statistics from their poker sessions. There are numerous methods to track statistics for online poker and thus people can objectively determine whether luck is affecting their results or their playing form. Players can also analyse different situations using statistical theory to further improve their game.

As an individual who thoroughly enjoys playing online poker and discussing the statistical and economic theory and strategy behind the game, I would like to see a provision within the IGA amendment that will allow online poker sites to continue to cater for the Australian market in a safe and regulated manner. I am very concerned that live casinos will capitalise on the opportunity of no online competition and exploit players who transition from the online scene to the live scene.

Regards,

Ricky Vikas