

16 November 2012



Clubs Australia

Ms Lyn Beverley
Committee Secretary
Joint Select Committee on Gambling Reform
POBox 6100
Parliament House
Canberra ACT2600

Dear Secretary,

Clubs Australia thanks the committee for providing us with the opportunity to comment on the supplementary submission from Regis Controls in relation to the challenges of implementing pre-commitment in accordance with the *National Gambling Reform Bill 2012* (the Bill).

Section 32 of the Bill requires that a pre-commitment system must prevent a registered user from continuing to use a gaming machine upon reaching their pre-commitment limit. Section 33 of the Bill requires that the pre-commitment system must have the latent capability to prevent all unregistered users from using a gaming machine.

Clubs Australia's submission noted that these requirements would be particularly difficult to achieve in New South Wales due the lack of a mechanism that a pre-commitment system could use to lock a gaming machine thereby preventing further use.

In their supplementary submission, Regis Controls acknowledges the difficulties faced in locking gaming machines in New South Wales and suggests that a more cost-effective alternative would involve locking out the player card. Clubs Australia does not believe that locking out a player card in itself would satisfy the above-mentioned requirements of the Bill.

Clubs Australia fails to understand how locking out a card or card reader could prevent a registered user from continuing to play the gaming machine without communicating with the gaming machine software. To prevent a registered user, who has reached their pre-commitment limit, from further play on the gaming machine, requires the pre-commitment system to instruct the gaming machine software to halt play and enter a state in which no further bets are permitted. The machine must also ensure that the registered user is capable of redeeming any remaining credits and provide some form of notification as to why play has been suspended.

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Moreover, Section 33 of the Bill requires that the gaming machine has the capability to be in permanent “lockout” state until instructed by the pre-commitment system that a registered user of the pre-commitment system has been successfully identified. Clubs Australia fails to understand how this could be achieved by locking out a card.

Clubs Australia has been informed by the Gaming Technologies Association that gaming machine protocol used in NSW is not capable of issuing such instructions to the gaming machine software, without having the machine enter into a continuous alarm mode and an error alert being sent to the central monitoring system.

Clubs Australia understands that any change to the communication protocol requires the development, approval and installation of new gaming machine software in every machine in the jurisdiction. Software upgrades are not feasible on older model gaming machines with outdated hardware platforms; this is analogous to mobile phones where many older phones are not capable of being upgraded to support the new features available on modern smart phones. Older poker machines will either require a hardware upgrade or in many cases need to be completely replaced to support an upgraded communication protocol. In contrast, existing voluntary pre-commitment systems operate by notifying the player they have reached their pre-commitment limit without locking up the gaming machine and therefore do not need to control the machine.

It is also our understanding that the central monitoring system would need to be upgraded or replaced to accommodate a change in communication protocol. A club would not be in position to install a gaming machine that utilises a new communication protocol /system until the upgrade of the CMS was complete, due to the requirement for all gaming machines to be connected to the CMS for the purpose of assessing tax liabilities.

Clubs Australia would welcome any detail from Regis Controls that outlines how the pre-commitment functionality in the Bill can be achieved in NSW, or any other jurisdiction without a complainant CMS, without requiring a change to gaming machine software.

Yours sincerely,

 Josh Landis
Executive Manager, Policy and Government