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Codes of Practice Review 2011  
Independent Gambling Authority  
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In its 2011 Codes of Practice Review Guide for participation, the Independent Gambling Authority (IGA) outlined a range of issues which the Authority wishes to see addressed.

Almost all of these issues are appropriately the domain of venues and their representative organisations; however, the Gaming Technologies Association (GTA) wishes to address 3.2.9 *Mandatory breaks in play (pop-up messaging)* which is outlined on page 17 of the Guide.

## About GTA

GTA is a not-for-profit company limited by guarantee, established in 1990 for the purpose of promoting the development of Australia's manufacturing resources.

GTA's members provide gaming technology and equipment to hospitality venues in over 300 jurisdictions worldwide, 8 of which are in Australia. GTA members include Ainsworth Game Technology, Aristocrat Technologies, Aruze Gaming Australia, Bally Australia, IGT (Australia), Konami Australia, ShuffleMaster Australasia and WMS Gaming Australia. GTA members supplied all of the gaming machines in South Australia. All GTA members are public companies or part of a public company and their primary focus is the development and supply of new games and gaming machines.

GTA is part of the Gaming Machine Association of New Zealand (GMANZ) and its CEO is a member of GMANZ' Board of Directors.

## "Pop-up messaging": background

"Pop-up messaging" is outlined in the Review Guide for participation and broadly refers to text displayed on the Game Play screen of a gaming machine. A key attribute of "Pop-up messaging" is its location on the Game Play screen, in the player's direct line of sight.

New Zealand is the only jurisdiction in the world which requires "pop-up messaging".

## **“Pop-up messaging” in New Zealand**

The implementation of “pop-up messaging” in New Zealand was mandated without evidence or consultation. Industry representative bodies at the time urged caution in requiring such a fundamental change without prior analysis of cost, anticipated benefits or unintended consequences.

In October 2004 several industry bodies held the view that “pop-up messaging” would result in no worthwhile benefit in addressing problem gambling and the matter was referred to the Regulations Review Committee for its consideration.

“Pop-up messaging” was required on all new gaming machines from October 2005 and on all existing gaming machines from July 2009. More than two years have elapsed since its final implementation, but there remains no evidence of the efficacy of the measure.

GTA understands from its colleagues in the industry (including other GMANZ members) that no support is evident from any party for the operation of the measure; that the industry view remains that “pop-up messaging” has resulted in no worthwhile benefit in addressing problem gambling; and that players find it intrusive and insulting.

### **Cost of implementation in New Zealand**

The cost was considered to be approximately NZ\$60 million for the 19,479 gaming machines operating in clubs and hotels at 1 July 2009 (over NZ\$3,000 per gaming machine). A more accurate actual cost is somewhat difficult to ascertain, as other changes associated with an Electronic Monitoring System implemented in March 2007 were also required at that time and these changes lessened the cost of implementing “pop-up messaging”.

A comparable situation is a game change on an existing gaming machine, which currently costs between AU\$4,000 and AU\$6,000 depending on a variety of factors. It is reasonable to assume a similar cost for the implementation of “pop-up messaging” in South Australia – excluding the cost of research, development, testing and submission for approval.

### **The process of implementation**

For “pop-up messaging” to be implemented, every existing game must be redeveloped and every new game must be developed according to stringently defined functional requirements. Where the age of a gaming machine exceeds 5 years, it may be that any software change cannot be supported. In these cases, new replacement machines will be required.

The appropriate approach for the implementation of any fundamental change such as “pop-up messaging” is to negotiate a date from which all new games will incorporate the new functionality (permitting adequate time to develop and agree unambiguous specifications and determine reasonable research, development, testing and submission timeframes).

### **Jurisdictional differences**

Every gaming machine in Victoria already operates “Player Information Displays” (PIDs). Every gaming machine in New Zealand operates “pop-up messaging” which is known as PIDs; but a very different version to those in Victoria. Another different version of PIDs operates in Queensland and in Tasmania.

This multiplicity requires separate versions of each game operating in these jurisdictions to incorporate each of the respective PID configurations, which in turn requires separate development, testing and submission processes which are extremely costly.

In addition to compatibility and related internal testing by the Original Equipment Manufacturer, each PID version also requires external testing by a licensed gaming equipment test laboratory prior to finalising the submission process for approval – which is also extremely costly.

The end result of these jurisdictional differences is duplicated development, testing and implementation processes which appear to be largely unnecessary.

South Australia's hospitality venues have access to a limited subset of the range of games available in other Australian jurisdictions, because of its existing jurisdictional differences. Additional differences will further diminish the range of games available in South Australia.

### Market acceptance

As noted previously, gaming machine players in New Zealand find "pop-up messaging" intrusive and insulting. South Australia's hospitality executives would be aware of this and would not be enthused with the prospect of expending significant financial resources on a measure which has resulted in no worthwhile benefit in addressing problem gambling elsewhere and in the process, offending their clients.

### Conclusion

The technology to deliver mandatory breaks in play via "pop-up messaging" is not terribly complicated. However, difficulties with implementing fundamental change such as this arise in implementation rather than technology.

In New Zealand, breaks in gaming machine play have not operated to reduce problem gambling. "Pop-up messaging" has been a failure in New Zealand and unnecessarily imposed a multi-million dollar cost with zero benefit.

The Independent Gambling Authority should not proceed with "pop-up messaging" in isolation from other jurisdictions.

GTA has indicated elsewhere its view that PIDs provide the appropriate mechanism for delivering 'cost of play' information in a timely and effective manner. The presentation and technical design of PIDs should be nationally coordinated.

Thank you for the opportunity to provide input to the Codes of Practice Review 2011.

Yours sincerely



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