

Codes of Practice Review 2011

Executive Summary

The SKYCITY Entertainment Group has operated the Adelaide Casino since 2000. SKYCITY operates casinos in South Australia, the Northern Territory and New Zealand. In all of the jurisdictions where we operate, SKYCITY is the industry leader in harm minimisation efforts and outcomes.

The Casino is a unique environment with many factors setting it apart from other forms of gaming.

In past reviews of the Codes of Practice, the Authority has increasingly supported greater divergence between Codes relating to Adelaide Casino and those applicable to other venues.

The reasons for this are set out below, but reflect the efforts made by Adelaide Casino, on a range of fronts, in minimising gambling related harm.

Since Review 2006, several pieces of independent research have endorsed Adelaide Casino's harm minimisation approach, especially our Host Responsibility Coordinator (HRC) program. The findings of this research are also set out in this submission.

In the Authority's 'Guide for Participation' in codes Review 2011, there are several proposals for further regulation on the gaming industry. Most of these proposals are not appropriate for Adelaide Casino because:

- Of the nature of a casino environment;
- Of the continued successful efforts Adelaide Casino makes in minimising gambling-related harm; and
- The harm minimisation benefits from what is proposed would be minimal and cannot be justified, when compared to the cost to our business and inconvenience to recreational customers.

Our reasons are set out below.

Finally, we make some comments on the existing Codes, most of which are minor and technical in nature.

Part I: Introduction

At successive Reviews, the Authority has determined that the Adelaide Casino's Codes of Practice should diverge from the Codes regulating other sectors of the gaming industry. The 'Guide for Participation' asks if this divergence should continue.

We do not support regulatory consistency for its own sake. There are many aspects of our statutory scheme which take a different approach to regulation than is taken with other sectors of the gaming industry. There are a wide range of compelling reasons why this is so and these reasons apply to the codes just as much as they apply to various pieces of legislation and agreements.

The rationale for this divergence has been expressed many times by the Authority itself, in various findings, set out below:

- *“the fact that the casino is licensed as a purpose-specific dedicated gambling venue¹;*
- *the existence of a dedicated Host Responsibility Coordinator Program²;*
- *there are fewer risks associated with the casino offering these gambling products than with hotels and clubs³;*
- *[the] existence of [the HRC] program, which involves considerable allocation of resources by the casino licensee and a commitment to responsible gambling culture, should tell heavily in favour of the casino when the Authority determines the precise content of the codes of practice⁴*
- *The nature and placement of the Casino site is such that it is much more likely to be a deliberate destination for gambling rather than a place where gambling opportunities are taken on impulse⁵.*
- *[The HRC] initiative is an important in-venue step towards making the delivery of the gambling product safer. It leverages off the natural advantages that one large, highly supervised site has in terms of being able to manage the behaviour of its patrons.⁶*
- *It has been in light of the protective nature of [the HRC] initiative that the Authority has refrained from applying to the Adelaide Casino some of the provisions in the second stage which will be applied to hotel and club gaming environments⁷.*
- *The Authority has given careful consideration to [early intervention] matters, and has determined that it is appropriate to take into account the existence of an effective early intervention mechanism when considering which other adjectival and collateral measures should be imposed on operators who are licensees. The Authority considers that addressing serious problem gambling is so important and that the evidence of the benefit of early intervention schemes, where a person is appropriately identified, is so compelling that every encouragement should be given to the industry to embark upon such schemes.⁸*
- *Skycity Adelaide gives a very good example of what can be achieved in this area. Its Host Responsibility Co-ordinator scheme provides, at considerable expense, for the full time presence of at least one Host Responsibility Co-ordinator (HRC) in the licensed casino during its hours of opening. This has required the engagement of at least four full time staff⁹.*

¹ Expressed on page 11 of the 2011 Codes of Practice Review –Guide for Participation

² Expressed on page 11 of the 2011 Codes of Practice Review –Guide for Participation

³ Expressed on page 12 of the 2011 Codes of Practice Review –Guide for Participation

⁴ Expressed on page 23 of the IGA’s Report to the Minister: Review 2006—Regulatory Functions

⁵ Expressed on page 90 of the IGA’s Report to the Minister: Review 2006—Regulatory Functions

⁶ Expressed on page 101 of the IGA’s Report to the Minister: Review 2006—Regulatory Functions

⁷ Expressed on page 101 of the IGA’s Report to the Minister: Review 2006—Regulatory Functions

⁸ Expressed on page 102 of the IGA’s Report to the Minister: Review 2006—Regulatory Functions

⁹ Expressed on page 102 of the IGA’s Report to the Minister: Review 2006—Regulatory Functions

- *These HRCs work in the casino and have access to all areas in the casino and to surveillance equipment. They have the opportunity to observe the behaviour of patrons and, where appropriate, the obligation to approach a person who is demonstrating serious problem gambling behaviour. The reports received by the Authority about the operation of the host scheme are most encouraging. It is very apparent that the scheme has considerable benefits.*¹⁰
- *The experience of the casino host program is that it enjoys a very high regard from the Break Even services.*¹¹
- *Gaming Care and Club Safe do not operate in the same way or with the same direct effectiveness as the Skycity [HRC] program*¹²”

Part II: Research and Evidence since Codes’ Review 2006

Since the 2006 Review, Adelaide Casino’s practises (and the HRC Program in particular) have been reviewed several times by independent third parties. This research investigated operational and policy matters directly related to Adelaide Casino’s host responsibility performance and capability.

The findings of these reviewers verify the previous findings of the Authority, set out above. They add considerable weight to the proposition that Adelaide Casino’s harm minimisation practices are robust and effective. It follows that the further regulation, as contemplated in the ‘Guide for Participation’ is not required for the Adelaide Casino.

The Authority can be confident that there is strong, credible justification for Adelaide Casino continuing to be treated differently from other sectors of the gaming industry. Highlights of the research are shown below:

1. Evaluation of SKYCITY Adelaide Host Responsibility Coordinator Program Evolution Research, July 2007.

After the HRC Program had been in place for just over three years, Adelaide Casino engaged Evolution Research to evaluate the Program.

While Evolution Research’s 2007 evaluation contained some criticisms and identified minor weaknesses in the HRC program, its findings were overwhelmingly positive. SKYCITY subsequently implemented in whole or in part the key recommendations in Evolution’s report..

Encouraging comments from the Review about the HRC Program included¹³:

- *“Qualitative data indicates that the program has raised awareness of host responsibility and harm minimisation.*
- *An increased contribution to legal/regulatory compliance;*
- *A positive strategy that improves morale and staff satisfaction across the business;*
- *It contributes to sustainable business, as consumers who do not experience harm and enjoy safe entertainment are likely to return and support the business;*
- *A significant benefit to floor staff was recognised, given the additional expertise of the HRCs in identifying potential problems and intervening with customers*

¹⁰ Expressed on page 103 of the IGA’s Report to the Minister: Review 2006—Regulatory Functions

¹¹ Expressed on page 103 of the IGA’s Report to the Minister: Review 2006—Regulatory Functions

¹² Expressed on page 104 of the IGA’s Report to the Minister: Review 2006—Regulatory Functions

¹³ Page 1

- *It fosters a culture in the business that facilitates minimisation of harm associated with gaming.*
- *The HRCs are seen as specialists in this field of work, having greater skills and resources to address issues associated with problem gambling.”*

Further:

“The HRC team has worked hard to raise awareness of host responsibility, to raise the profile of the team and to address the skepticism from certain areas/individuals that was apparent during the establishment phase of the program. Integral to this effort has been management’s commitment to the program, the support of key personnel from the gambling treatment sector and continued scrutiny from the media and regulatory bodies¹⁴.”

The HRC program is one of a number of harm minimisation strategies employed by SKYCITY. The review noted that the presence of the HRCs enhanced the success of these other strategies.

The program had improved and evolved between 2004 and 2007. The Review found:

“As with many pilot or new programs, developments with the HRCs program have evolved on the basis of continuous learning and inputs from various stakeholders. Policies, procedures and operational guidelines took some time to develop and ad hoc processes guided the program during the establishment phase. In the past 6-12 months, more formal processes have been developed, including training resources and standard operating procedures.”¹⁵

2. A Quantitative Analysis of Workplace Influences on Responsible Gambling and Problem Gambling Amongst Employees of Queensland Gaming Venues, by Associate Professor Nerilee Hing of Southern Cross University, 2009.

This research was commissioned by the Queensland Office of Gaming (part of Queensland Government Treasury). Whilst it focuses on venue staff, her findings about risks and protective factors are relevant to all people in gaming venues.

Professor Hing found that gambling problems were more common amongst gaming staff than amongst the wider Queensland population. She discusses whether this is because of the inclination of potential problem gamblers to gravitate towards gaming venues as well as the risk factors associated with working for a gambling venue.

Professor Hing examined the range of risk factors that can either increase or decrease problem gambling prevalence amongst gambling venue staff. The influence of work colleagues, attitude of management and culture of the organisation can all have an impact.

Importantly, Professor Hing demonstrates that a range of strategies can have a *protective* effect on venue staff. Below we set out these protective factors and then comment on how Adelaide Casino addresses each one:

- Knowledge of responsible gambling. SKYCITY puts considerable effort into staff training about responsible gambling. Training is provided to all staff upon induction and then on a regular basis as refresher training or more detailed training for managers of front-line staff.

¹⁴ Page 47

¹⁵ Page 42

- Prohibition of staff gambling at work. Staff at SKYCITY are prohibited from gambling at work
- Provision of information about gambling help. In addition to the staff training, SKYCITY also ensures problem gambling information is displayed on noticeboards, lifts, walls (including in the staff cafeteria) and regular updates are provided through the weekly staff newsletter
- Encouraging a culture of *responsible* gambling. SKYCITY has worked extensively with gambling counselling agencies to develop strategies to create such a culture. The presence of a *responsible* gambling culture has been verified by the studies set out below.

SKYCITY believes that it has in place a wide range of strategies, aimed at both customers and staff, to minimise the risks associated with problem gambling.

3. Assisting Problem Gamblers in South Australian Gaming Venues, by Nerilee Hing, Sharen Nisbet & Elaine Nuske, Southern Cross University, March 2010

Professor Hing and her research team investigated levels of assistance provided by SA gambling venues and their staff. They investigated knowledge of staff in pubs, clubs and the Adelaide Casino and measured compliance against regulatory codes. They also reviewed the performance of venue harm minimisation programs in the eyes of gambling counsellors and former problem gamblers.

The study found:

- *“Casino staff seemed confident of what to do and were trained to follow set procedures¹⁶”*
- *“[Frontline casino staff] were confident they could recognise the signs of problem gambling and were clear on procedures to follow¹⁷”*
- *“The HRCs were well trained and confident in taking action. They were also keenly aware of their limits in providing ongoing, therapeutic interventions and so encourage the patron to contact a counsellor, after exploring ways for patrons to limit their gambling¹⁸”*
- *“It was clear from the interviews conducted with the casino staff that they have rigorous systems and processes in place to adhere to their responsibilities, as articulated in the Codes and the Casino’s Host Responsibility Program. No evidence was found of practices that deviate from this¹⁹”.*
- *“The Procedures reportedly used in the casino are consistent with those recommended by counsellors.²⁰”*
- *“The HRCs are mature, experienced staff, who are trained in their role and given time and empowerment to respond adequately²¹.”*
- *“There was good support for the continuous training with HRCs which helped to raise awareness of problem gambling issues amongst staff²²”)*
- *“In contrast [to pubs and clubs] the more inclusive, regular and structured training at the casino appears to result in appropriate and consistent staff responses to patrons²³”*

¹⁶ Page xiii

¹⁷ Page xiii

¹⁸ Page xiii

¹⁹ Page xiv

²⁰ Page xiv

²¹ Page xiv

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- *“While this research cannot provide evidence that the casino’s intervention program always identifies problem gamblers and always intervenes, the training, structures and processes that support an intervention leave little doubt that the casino’s response is superior [to other gambling venues] in this regard. The casino’s training appears to have embedded a culture that supports active host responsibility and the staff and HRCs appear to consider it an integral and unquestioned part of their jobs.²⁴”*

4. Adelaide Casino Host responsibility Coordinator & Compliance Review, KPMG Dec 2010.

The Authority engaged KPMG to review the Casino’s Host Responsibility Coordinator program and compliance at the Casino with Codes of Practice and generally.

KPMG reported that the Casino generally, and the HRC program specifically, operated at a high standard and met all of its objectives.

The ‘Key Observations’ of the KPMG Report are set out *in full* as follows:

- *“The HRC program contributes to a safe gambling environment through its full-time, onsite presence with the program being resourced to be able to provide one HRC representative 24 hours per day, 7 days per week;*
- *The HRC program supports customers seeking to stop gambling or moderate their behaviour through both proactive and reactive identification of customers with problem gambling issues, case management and administration and monitoring of barring arrangements.*
- *The HRC program promotes services available for individuals seeking to control their problem gambling behaviour via referrals to counsellors, the gambling helpline and government support agencies;*
- *The HRC program supports good host responsibility in relation to the responsible consumption of alcohol (for both problem gambling and excessive alcohol consumption), under-age gambling and unattended children with well-defined processes on how to manage occurrences of the above scenarios; and*
- *The HRC program supports the development of staff competence and commitment towards good host responsibility through the provision of problem gambling training for new employees as part of Adelaide Casino’s induction processes and refresher problem gambling training every two years thereafter. The HRC program also supports training delivery for supervisors and managers delivered by an external agency (Relationships Australia).”*

²³ Page xviii

²⁴ Page xix

The Report also found:

“Overall, we consider that Adelaide Casino’s HRC program contributes to the establishment of a gambling environment that is sensitive and responsive, and supports Adelaide Casino to meet its regulatory obligations in respect to Responsible Gambling. Moreover, without the HRC program, Adelaide Casino’s gambling environment would be markedly less sensitive and responsive to gambling issues.”

Adelaide Casino notes the KPMG Report is a significant and important endorsement of the casino’s host responsibility capability. The report is also very relevant to the 2011 Codes Review because it directly addressed many of the ‘Issues which the Authority wishes to see addressed’ and assessed compliance with the Codes of Practice and the effectiveness of the HRC program in achieving the expressed and underlying objectives of the Codes.

Part III: Casinos are ‘Destination Venues’

As a result of the Codes’ Review 2006, the Authority accepted that Casinos are ‘destination gaming venues’. Destination venues involve a premeditated decision to travel to the venue, often over a significant distance. Convenience venues, on the other hand, provide facilities a consumer may encounter during their daily activities, leading to an ‘impulse’ decision to gamble. These venues often have a high accessibility to consumers and few barriers to consumption.

Evidence suggests that when there are significant time and space barriers to gambling, people are more likely to make planned decisions to gamble, rather than gambling on impulse alone²⁵.

Research evidence has shown that casinos promote intent and considered choice, as opposed to an impulse-based decision to gamble that may be encouraged by convenience venues.²⁶

Australian casinos are considered destination venues that encourage pre-determined decisions to travel to play games or undertake a range of non-gaming activities²⁷.

This seminal difference between casinos and other gaming venues has always been accepted in Australia. Governments and regulators have recognised this difference through legislation, regulation and even in terms of tax rates. For their part, casinos have accepted a much higher level of scrutiny and regulation as well as standards of operation that have imposed additional costs on their businesses.

In similar jurisdictions internationally, it is accepted that casinos are different from convenience gaming. The Responsible Gambling Council of Ontario in its paper, Insight 2009 - Play Information and Management System, pointed out that

²⁵ McDonnell Phillips Pty Ltd, 2006, Analysis of Gambler Pre-commitment Behaviour, Gambling Research Australia, Department of Justice, Melbourne Australia

²⁶ “Destination-Style Gambling”: A Review of the Literature Concerning the Reduction of Problem Gambling and Related Social Harm through the Consolidation of Gambling Supply Structures. Young, M., Tyler, W. and Lee, W. 2007

²⁷ Casinos and the Australian Economy. Allen Consulting Group. April 2009.

“a casino venue can be very different from a community-based VLT venue, not only in terms of logistics and gaming operations but also in terms of the political culture of the different jurisdictions.”²⁸

In the UK, New Zealand, Canada and the USA, different regulatory regimes apply to casinos compared with convenience gaming.

In the UK different classes of gaming machines are permitted in different venues, in recognition of the varying standards of host responsibility, probity and overall quality of management oversight.

In the USA and Canada, Video Lottery Terminals (VLT) are operational in convenience locations while casinos operate EGMs (or poker machines). In Nova Scotia, for example, the mandatory pre-commitment scheme applies only to VLTs in convenience venues. Nova Scotia along with Norway, is often cited as a possible template for Australian policy regarding the implementation of pre-commitment. Both these jurisdictions have gambling environments and systems in place that differ markedly from Australia. Norway has no casinos. The two casinos that operate in Nova Scotia are exempt from the pre-commitment scheme operating there.

In Sweden, a mandatory player card system has been launched for online gambling, lotteries, bingo and sports betting but the four casinos (all government owned) that operate in Sweden have a separate voluntary loyalty card scheme.

Lastly, different rules apply to the operation of EGMs in non-casino venues in New Zealand as opposed to casinos.

Part IV: Casino Comparative Risk

Adelaide Casino does not accept the claim, in the ‘Guideline for Participation’²⁹, that Adelaide Casino’s:

“gambling product is at least as risky as that provided by gaming machine operators”.

This statement is inconsistent with all of the research of gambling harm prevalence that we are aware of, including:

1. SA Prevalence Study 2005³⁰

This study investigated what type of venue people bet on poker machines. It found that 10.1% of poker machine players bet primarily at the Casino. The majority played at pubs (79.6%) and clubs (8.9%).

The study also determined where moderate and high risk gamblers played.

²⁸ Responsible Gambling Council Centre for the Advancement of Best Practices, Insight 2009 - Play Information and Management System, p. 37

²⁹ Guide for Participation, p10

³⁰ *Gambling Prevalence in South Australia* SA Dept of Health (2005), (Report prepared for the Dept of Family and Communities and Independent Gambling Authority) P150-151

Table 5.2: Where mainly bet on poker machines, low, moderate, high risk frequent gamblers, aged 18 years and over

Location	Low risk frequent gambler		Moderate/high risk frequent gambler	
	n	%	n	%
At a club	36	10.9	22	8.6
At a hotel	262	78.9	223	86.5
At a casino	33	9.9	11	4.3
All/no specific place/more than one of these	-	-	1	0.5
Interstate/overseas/on holidays	-	-	1	0.2
Don't know/can't remember	1	0.3	-	-
Total	331	100.0	258	100.0

Note: The weighting of the data can result in rounding discrepancies or totals not adding (see Section 1.5.3)

As Table 5.2 demonstrates, only 4.3% of problem EGM gamblers played at the casino. This study shows that, even before the HRC program was launched, the Casino had a disproportionately low share of EGM-related problem gamblers compared with its overall share of poker machine players.

We note that, since 2005, considerable improvements in harm minimisation have been made at the Adelaide Casino (eg the HRC program). Therefore, we believe that the number of problem gamblers at Adelaide Casino is lower than in 2005.

2. NSW Prevalence Survey (A C Nielsen (2006))³¹

The findings of the SA study are corroborated by the findings of the 2006 NSW Prevalence Study, which showed that 2% of customers played primarily at the casino. The casino had a disproportionately high (ie 50% higher) number of EGM customers who were non-regular players. The casino also had a disproportionately low number of EGM players who were either 'low-risk' problem gamblers or 'at risk' problem gamblers.

When considering the riskiness or relative safety of a gaming machine experience, a wide range of factors are relevant, including:

- Staff training and knowledge of responsible gambling;
- Information about gambling help;
- Encouraging a culture of responsible gambling³²;
- The existence and resourcing of the successful HRC Program.

³¹) *Prevalence of Gambling and Problem Gambling in NSW – A Community Survey*, NSW Office of Liquor, Gaming and Racing, Department of the Arts , Sport and Recreation) 2006 at p81

³² A Quantitative Analysis of Workplace Influences on Responsible Gambling and Problem Gambling Amongst Employees of Queensland Gaming Venues, by Associate Professor Nerilee Hing of Southern Cross University, 2009

Adelaide Casino agrees with Professor Hing's findings that risk and protective factors need to be considered *holistically*. We submit that, taking into account the entire gaming environment, Adelaide Casino provides the safest gaming environment in South Australia. This claim is verified by the cited prevalence studies and regularly endorsed by a range of people in the concerned sector.

Part V: Update on Adelaide Casino's HRC Program

When the HRC program commenced in 2004 it was innovative and ground-breaking. According to the Evolution Research (cited above) and other research, the program has continued to improve and evolve. This has been possible because of the continued support and encouragement of the concerned sector.

Various systems have been developed, recorded and now form part of the ongoing practice of the HRCs. For example, 'escalation models' have been developed for:

- Customer approaches (see below); and
- Dealing with barred customers who return.

HRC training is ongoing. Specific training modules include:

- ASIST (Applied Suicide Intervention Skill)
- MHFA (Mental Health First Aid)
- Motivational Interviewing
- Cultural awareness workshops
- Disability Awareness
- Basic money management skills and
- Further training with gambling help services as required/identified.

An objective of Adelaide Casino's HRC program is to manage potential harm in a targeted way, through intervention as early as possible. The approach escalation process involves:

- **Customer Service Approach** – Approaching customers generally and investigating customer needs, whilst looking and listening for signs and indicators of potential problem gambling.
- **1st Contact** – A customer is identified (by the HRCs or other staff) as having a need for guidance. This allows for the HRC's to approach, intervene, assess and monitor. Action will depend upon the level of risk of the customer. Information will generally be given out about appropriate gambling help services.
- **Case Management** – A collaborative process which assesses plans and implements options to meet an individual's gambling needs.
- **Care Plans** - Documented evidence developed for a person that states the interventions to be undertaken, the outcomes to be achieved and the review of care that will occur at regular intervals

Customers who are being case managed or are part of a care plan will be subject to, at least, a three, six, nine and 12 month review. This review will map their progress, allowing the Host Responsibility Coordinator to make an informed judgement as to whether the customer remains in the "Customer of Concern" category, is referred to support services (if they have not already been) or can be filed for future follow-up.

Part VI: Issues which the Authority wishes to see addressed

3.2.1 Approved Intervention Agency initiative

Adelaide Casino makes no comment on Codes relating to other industries.

3.2.2 Casino Host Responsibility

The HRC program is qualitatively different from the programs run by pubs and clubs.

The Approved Intervention Agencies (AIA) train and encourage venues and their staff to adopt responsible practices. We believe that these programs work well and, consequently, customers are safer in South Australian pubs and clubs than they are in equivalent gaming venues in other States.

The AIA's aim, amongst other things, is, effectively, to bring venue staff up to the level of training demonstrated by Adelaide Casino staff.

The HRC program adds many additional dimensions to the programs fostered by AIA. In particular:

- The HRCs *themselves* intervene with customers showing signs of problem gambling. They do not just teach other staff.
- It is an 'Early Intervention' program. The HRCs interact with a wide range of customers at all stages of the 'problem gambling continuum'. Adelaide Casino believes that prevention is better than cure.
- The HRCs are a dedicated resource. HRCs have time to enter into dialogue with customers, establish relationships, build trust and gather information that a venue cashier or bar attendant could not.
- As their role is dedicated, the HRCs have developed significant experience and gained considerable expertise that cannot be matched by staff that spend most of their time performing other duties.
- The HRCs have access to database information and are given time to follow up on customers, to develop care plans, to case manage potential problem gamblers and to work with gambling counsellors to support the well-being of these customers.
- The HRC Program is regularly praised for the abilities and dedication of its manager, Tony Morgan and the high quality staff he recruits. As observed in the KPMG report (cited above):

"We also noted that the HRC Manager is passionate and committed to supporting customers who have problem gambling issues and in helping to create a sensitive and responsive environment within the Adelaide Casino"

The 'guide for participation suggests that the HRCs and AIA should have a consistent regulatory response. The HRC Program and the work performed by AIAs are different. They require individual regulatory responses.

Adelaide Casino has voluntarily funded and operated the HRC Program since 2004. We are very proud of the program and the independent recognition it has achieved.

As noted above, the HRC program has continued to improve and evolve since its introduction in 2004. We share the concerns of the Concerned Sector that defining and mandating the HRC program could stifle ongoing improvements and development of the HRC program and its staff.

Adelaide Casino believes the HRC program does not need to be mandated. Adelaide Casino deserves the continuing credit for resourcing such a high quality program over-and-above its regulatory obligations.

3.2.3 Inducements to gamble

Definition issues

The “Guide for Participation’ contemplates extending prohibitions and restrictions on inducements to the Adelaide Casino. This is unnecessary and would have a range of significant, unintended consequences.

As part of the Codes’ Review 2006, Adelaide Casino argued that the use of the term ‘inducement’ is likely to inadvertently capture a range of venue characteristics, features or publications that are not harmful or irresponsible. Induce means:

- “1. to lead or move by persuasion or influence, as to some action or state of mind: to induce a person to buy a raffle ticket.
2. to bring about, produce, or cause: -That medicine will induce sleep. “

In the ‘Guide for Participation’, the term ‘inducements’ is used in a pejorative sense. The Guidelines imply that all inducements involve people being persuaded to act against their will. This is not consistent with the dictionary definition of ‘inducement’, which is very broad in scope. All advertising and marketing activities are inducements; however they are not necessarily irresponsible.

The following activities and factors are likely, directly or indirectly, to ‘induce’ people to gamble at Adelaide Casino:

- Providing interesting and attractive facilities;
- Friendly staff providing good service;
- Providing a safe environment;
- Providing a Valet service, which moves over 150,000 vehicles each year;
- Live music on stage and other entertainment;
- A range of restaurants and bars;
- Pleasant background music;
- AFL Football games in the precinct;
- Invigoration of the Riverbank Precinct;
- Increased number of tourists in Adelaide, particularly convention delegates and parents of graduating Overseas Students;
- Providing the latest EGMs;
- The convenience of EGMs, lotteries, TAB and table games in the one venue.

There are obviously many legitimate and desirable ways to ‘induce’ people. The Advertising Code of Practice and Responsible Gambling Code of Practice already effectively ensure that licensees’ inducements to gamble are *responsible*.

Adelaide Casino therefore believes no changes to the Casino's Codes regarding inducements to gamble are necessary or justified.

Program Play & VIPs

Adelaide Casino operates a range of programs for VIP customers. SKYCITY has representatives based in a number of Australian and international cities.

To encourage international and interstate VIP gaming customers, all casinos offer incentives such as flights, accommodation, meals and side trips to local tourist destinations.

Often the VIP gambler will bring a partner (or an entourage) and these people may also receive free or subsidised flights, accommodation, etc. Program Play is an important source of revenue for the Adelaide Casino and there is a flow-on benefit to many other South Australian tourism operators and hospitality businesses.

Australian Casinos make an important and growing contribution to the Australian economy. We note:

- Over 1 million international tourists made 2.4 million visits to Australian casinos in 2007-08. International tourists who visited casinos spent a total of \$4.9 billion during their time in Australia — an average of \$4,940 per visitor, compared with \$2,630 by international visitors not visiting casinos;
- Additionally, a group of international visitors known as international VIP program players, spent \$739 million during their visits to Australia in 2007-08. Expenditure associated with these players increased gross domestic product (GDP) by \$84 million. Maintaining this export will raise Australian private consumption by \$1.8 billion over a 10-year period.³³
- In a recent Annual Report, Crown Casino reported revenue from international VIP gamblers of approximately \$500 million. Adelaide Casino's competes in this market.

Bus Program

The 'Guide for Participation' notes that a complaint was made to the Authority about one of Adelaide Casino's bus programs. Like most other casinos, Adelaide Casino has provided a bus program for many years.

The media story misrepresented facts about the operation of the bus program.

Contrary to the media report, no customer was ever 'locked-in' or otherwise compelled to remain within the casino. Since the inception of the program, program participants have regularly left the premises during the course of their groups' visit. Further, no individual or group has ever been penalised (eg by having loyalty points withheld or deducted) as a result of any member of the group leaving the premises.

As reported to the Authority at the time of the article, the fine print setting out the conditions of Adelaide Casino's program could have been worded more appropriately. This was rectified at the time. We note:

³³ *Casinos and the Australian Economy. Allen Consulting Group. April 2009. pvii*

- Adelaide Casino had not received any complaints about the bus program until the article appeared in the media;
- Adelaide Casino has had no further complaints about the bus program; and
- To our knowledge, neither the OLGC nor the Authority have received any subsequent complaints about our bus program.

The HRC team regularly interact with bus program participants, as they do with all other casino customers. Importantly, the HRCs report that:

- No person on a bus program has ever presented with problem gambling behaviour; and
- To our knowledge, participation in a casino bus program has never contributed to any person becoming a problem gambler.

Most participants in bus programs live a considerable distance from the Adelaide Casino. Their visit is part of a social outing with, for example, the community group that they belong to. Consequently, their visits to Adelaide Casino should be seen as an 'occasional day out', rather than a regular, habitual pastime. We submit the casino bus program and the nature of its participants presents a very low risk of resulting in gambling-related harm. This submission is supported by:

- the lack of previous or subsequent complaints about the program; and
- the fact that no bus program participants have ever been identified as problem gamblers.

Bus programs of one sort or another are run by most Australian casinos. We believe that our program offers a value proposition to community groups and their members. We take issue with the image, portrayed in the media, that our customers are all old, slow or otherwise vulnerable. All potential bus program customers are fully aware that their trip is about visiting a casino and that gambling is available.

If the Authority is aware of any evidence that the bus program is associated with elevated problem gambling risk, we would appreciate the opportunity to view this material and make further submissions on it.

Inducements Summary

The Codes of Practice already proscribe the forms of inducements which are irresponsible and not appropriate.

The Casino's Codes do not need to go further and prohibit legitimate activities where little or no risk has been demonstrated.

3.2.4 Differential Regulatory Treatment

The 'Guide' sets out the following reasons why Adelaide Casino has different regulatory obligations than those imposed on other gambling venues:

- The Casino is a specific-purpose dedicated gambling venue; and
- The HRC Program.

The Authority has given many other reasons in the past and these are set out in Part I, above.

In Part II, above, Adelaide Casino has cited several directly relevant independent research papers, which validate the findings of the Authority.

We also note that significant differences exist at most other levels of our statutory and business environment. In particular:

Regulatory scheme

- The Casino operates pursuant to different legislation from other venues (the Casino Act 1997)
- The following statutory instruments impose additional regulatory burdens, over and above that faced by other gaming operators. These include:
 - The Approved Licensing Agreement;
 - Internal Control Procedures (currently about 645 pages of mandatory rules and procedures); and
 - Directions imposed from time to time by the Commissioner and the Authority.

Type of Business

- Adelaide Casino has a statutory monopoly in the operation of table gaming.
- Adelaide Casino actively competes in markets for both interstate and international customers.
- ‘Gambling tourism’ is big business and there are opportunities to bring many more tourists to Adelaide.
- When VIP gamblers visit Adelaide, they have a large positive impact on the local economy.
- Australian Casinos: According to Casinos and the Australian Economy, (The Allen Consulting Group, April 2009):
 - In 2007-08 Australia’s 13 casinos attracted nearly 50 million visitors (including 2.4 million visits from international tourists);
 - International visitors to Australia casinos, including international VIP program players, spent \$5.6 billion during their time in Australia in 2007/08;
 - Casinos generated a social surplus of over \$3 billion in 2007/08;
 - Casinos are a key provider of tourism infrastructure, including hotels, restaurants, retail, entertainment and conference facilities that increase Australia’s attraction as a tourism destination;
 - Additionally the marketing activity undertaken by Australian casinos raises Australia’s profile as a tourism destination;
 - According to the 2009 Report, Casinos were planning to invest of \$2.9 billion in major capital works programs to upgrade and redevelop their properties over the coming three years against a background of significant economic uncertainty caused by the global financial crisis;
 - Australian Casinos employ approximately 20,000 people.
- Adelaide Casino. In 2010/2011, Adelaide Casino:
 - Attracted almost 2.5 million customers
 - Paid over \$54 million in tax In FY10 to Local, State and Federal Governments.
 - Paid \$21 million in gaming tax, a tax on its core products.

- Employed approximately 1100 staff.
- Offered four restaurants and eight bars
- Was one of the largest purchasers of live music in South Australia.
- Spent over \$10 million on capital expenditure.
- Adelaide Casino Security & Surveillance
 - Adelaide Casino spends nearly \$4 million annually on its Security and Surveillance services.
 - The Casino refuses around 1000 potential customers per month for intoxication.
 - The Casino has Closed Circuit TV to monitor and control all parts of its business and environs.
 - Consequently Adelaide Casino has a greater ability to monitor and control its facility than any other gaming venue.

In summary, the Adelaide Casino is a very different business and operates in a qualitatively different market and regulatory environment than other sectors of the SA gaming industry. In South Australia and most other jurisdictions, the vastly different nature of a casino business has required a regulatory response that diverges from regulation of other gaming venues.

Having separate Codes of Practice for the different sectors of the gaming industry has little downside. The upside is that regulators can take into account the specific factors, strengths and weaknesses of each sector.

Adelaide Casino requires a separate Code from other sectors and deserves credit for the proven, continued success of the HRC program. We thank the Authority for the faith shown in Adelaide Casino, following Review 2006 and submit that the findings remain valid.

3.2.5 Training

Earlier this year, Adelaide Casino worked with representatives of the Concerned Sector to develop proposed clauses for the Codes of Practice dealing with staff training. A joint position was then submitted to the Authority. Adelaide Casino has had a long and successful relationship with several gambling counselling agencies, in particular, Relationships Australia SA, Anglicare and Uniting Care Wesley.

These organisations have provided training and helped create and improve our responsible gambling (RG) training programs for many years. This relationship is ongoing.

The joint submission proposed clauses about training that would ensure Adelaide Casino continues to provide the most rigorous and advanced responsible gambling training in South Australia. Our RG training is superior to the RG training provided by any external provider.

This submission is attached and we re-submit it for the purpose of Codes Review 2011. It is signed by:

- David Christian, General Manager, Adelaide Casino
- Rosemary Hambledon, Relationships Australia SA; and
- Christine Bell, Anglicare (formerly of Uniting Care Wesley).

Adelaide Casino therefore opposes any requirement that our 1,100 staff should be trained by an external provider, such as a Registered Training Organisation. In our submission, this would:

- Result in inferior RG training for casino staff; and
- Impose a substantial new cost on Adelaide Casino for no additional benefit.

We have reviewed the training requirements applicable in Queensland. The training provided by Adelaide Casino to all staff is superior to the mandatory requirements in Queensland.

3.2.6 Mandatory Warning Messages

Prominence of the Gambling Warning Message

There are several regulatory sources requiring advertisement to contain disclaimers or messages, including:

- Lottery & Gaming Act & Regulations
- OLGC Liquor Codes of Practice
- Adelaide Casino Advertising Code of Practice
- Specific requirements of the Competition and Consumer Act, depending on the content of the advertisement.

There is no regulatory requirement that one or other of the gambling warning messages should be given greater prominence. Indeed, regulatory agencies have given Adelaide Casino conflicting advice over which of the messages was the most important.

At a meeting between Adelaide Casino and the Director of the Authority, the Director made clear that the gambling warning message required by the IGA's Codes should be given greater prominence than mandatory messages required by statute. Adelaide Casino agreed to comply with this request. Since the meeting with the Director, Adelaide Casino has:

- Placed the gambling warning message on a separate line from disclaimers and text; and
- Presented the gambling warning message in a larger font.

Adelaide Casino aims for its advertising material to be consistent with the wording of the Codes and the underlying intent.

However, a more prescriptive approach, as proposed in the guide for Participation', is likely to render unlawful a range of advertising material that is otherwise responsible.

We note advice from Free TV that they will not approve television advertisements whose disclaimers are so long that they cannot be read out in the allotted time. Free TV did not accept the argument that the mandatory nature of the IGA's Codes should override the requirements of a voluntary industry code.

We also note the stringent and expensive time constraints of radio and television advertising make the display of warning messages and disclosure statements difficult and costly.

Adelaide Casino submits that it is important for the words “reasonable and practicable” to remain in the Codes. If advertising can only effectively be published in circumstances that are unreasonable and not practicable, the Codes will have the unintended consequence of prohibiting responsible advertising.

Adelaide Casino advertising has never spoken any part of a mandatory warning or disclaimer in a whimsical or otherwise irreverent manner. A stipulation to that effect in the Casino’s Codes is unnecessary.

3.2.7 In venue reporting of problem gamblers

Adelaide Casino significantly exceeds its obligations pursuant to clause 8A of the Responsible Gambling Code. The HRC team manage in venue reporting of problem gamblers, 24 hours each day, often with advice from gambling counsellors. The HRCs have highly developed systems and practices for managing customers of interest. These practices evolve and improve all of the time, again after regular consultation with the Concerned Sector.

Employees from all departments report potential problem indicators to the HRCs. Files about problems gamblers are contributed to by HRCs, Security officers, Surveillance, external gambling counsellors as well as gaming managers. The HRCs engage, action, document and review all data provided. All data provided is again reviewed by the HRC manager on a daily basis.

Specific systems have been designed to document all interactions with customers, including personal details, descriptions, signs/indicators, documents (eg pre-commitment decisions, referrals etc), photos and any associates (eg family/friends) involved.

Records may also include a ‘consent to exchange information with a counselling agency’ form– thus providing the best outcomes and opportunities for the customer, the Casino, gambling help services and the community.

Adelaide Casino keeps records of a very large number of customers, only a subset of who are recent customers or are likely to return to the Casino. We have records about problem gambling-related interventions relating to customers who have not been to the Casino for many years.

Technically, clause 8A requires a ‘gaming manager’ to review every fortnight records relating to each of these lapsed customers. This is unnecessary. We recommend that clause 8A be amended to read:

- “(2) *The gambling provider will —*
- (a) review the records of suspected problem gamblers on a regular basis; and*
 - (b) document, as part of the record.....”*

3.2.8 Perimeter control

The Guide for Participation’ proposes greater perimeter controls, such as a register book or facial recognition technology. As noted in the ‘Guide’, Adelaide Casino has a constant Security presence at every entrance. This ensures access to the Casino is strictly controlled.

Adelaide Casino provide daily and annual information to the OLGC, setting out how many customers are excluded and requested to leave for intoxication, disorderly behaviour, being underage or barred.

Security staff and Surveillance operators and Gaming Managers have access to photographic records, showing, for example, customers barred for welfare reasons. Adelaide Casino has implemented a range of other systems and procedures for relevant staff to maximise the chances of a barred customers being recognised. Consequently, barred customers are regularly detected, refused entry or requested to leave.

In detecting and removing or refusing entry to barred customers, Adelaide Casino's systems are highly effective.

A large percentage of our regular customers are members of our loyalty program. When they play, information is recorded. This information is used every day by the HRC team as they interact with customers of interest.

By contrast, the majority of our customers are not regular players and will visit the Adelaide casino on an occasional basis. These people are at a low risk of becoming problem gamblers. There is little value in requiring these people to register at the door.

Nearly 2.5 million people visit Adelaide Casino each year. The resources required to register every visitor would be enormous.

Requiring customers to register their details would act as a disincentive for many potential customers. For example, a number of our customers are Muslims or Methodists and their religion advocates against gambling. Whilst these customers are entitled to depart from the strict requirements of their faith, many would be reluctant to record each such lapse in a Casino register book.

Adelaide Casino has effective perimeter controls. Any requirement for an administrative procedure at our entry points would have:

- A large negative effect on the revenue and profitability of the Adelaide Casino; and
- Would add no further value to the range of effective harm minimisation programs already in place.

Lastly, we note the Authority's advice to the Minister in 2006:

"Enquiries made by the Authority since that time have indicated, in relation to facial recognition technology, that this technology is not yet sufficiently advanced to make it a viable means for enforcement of barring orders..... Accordingly, the codes of practice will not be used to mandate the adoption of facial recognition technologies for the identification of barred people."³⁴

Adelaide Casino concurs with this finding. Facial recognition technology remains extremely expensive and its effectiveness is unreliable. These systems can be easily thwarted if the person wears a hat, glasses, scarf, has a new hairstyle or facial hair or simply holds their head at a different angle towards the camera.

³⁴ Report to the Minister: Review 2006—Regulatory Functions p100

3.2.9 Mandatory breaks in play

SKYCITY opposes the pop-up messaging system implemented in New Zealand. Our opposition is based on our experience implementing the system, the enormous costs and the negative impact on the experience of recreational customers.

Importantly, to date there are **no observable benefits** from pop up messaging in New Zealand.

IGA's Previous Position

As part of Codes Review 2006, the Authority found:

"It is also significant that at least one jurisdiction, New Zealand, has regulated for mandatory breaks in play to be built into the design of gaming machines. Transitional arrangements in that jurisdiction mean that it will still be some time before the results of that initiative are observable. It is anticipated that very helpful information about the efficacy of this measure will be received when that happens. It was accepted by Concern Sector stakeholders that it would be appropriate to await the outcome of the New Zealand initiative. On that basis, the Authority will not proceed to require, by codes of practice, that there be manually or externally instigated breaks in play in gaming venues.³⁵"

We note that the NZ Ministry of Health have only recently commissioned research into assessing the effectiveness of pop-ups. It will therefore still be some time before any academic research will be available about pop-ups in NZ.

As the IGA noted in its 2006 Review, any consideration of pop-up messages should at least be deferred until this research has been completed.

Public Policy Issues

No research or trials to test the effectiveness of the NZ pop-up regime was undertaken before they were mandated.

The NZ Department of Internal Affairs (DIA), in promulgating the pop up regulations, often cited Focal Research's 2002 and 2003 research into the evaluation of pop-ups (among other responsible gambling features) in Nova Scotia. Critically, the Nova Scotia research was based on pop-ups configured for VLT-type machines in pubs and clubs. These machines are very different from NZ and Australian EGMs. Nova Scotia's **casinos were exempt** from deploying EGMs with pop-ups. The research was also complicated by the fact, pop-up features were just one of several new features added to VLTs in question, so isolating their respective impacts from a player behaviour and responsible gambling perspective was challenging.

Furthermore, **Nova Scotia has since phased out pop-ups in favour of player cards.**

³⁵ IGA's Report to the Minister: Review 2006—Regulatory Functions p91

Practical issues concerning pop-ups

Pop-ups, as regulated in NZ, have the potential to increase rather than minimise harm. For example:

- Players may make decisions based on inaccurate player information. This is because pop-up 'meters' reset to zero only after the EGM's credit meter reaches zero or after 60 seconds of inactivity. Therefore, a customer could walk up to a machine which has not reset and subsequently see play information that is not reflective of their own gaming session;
- The forced break in play (when a player sees a pop-up message and elects to continue their gambling session) could be counter-productive in being an irritant for some or many players, thus making them less receptive to information about their play but also more difficult for staff to detect high-risk players (displaying irritation because of their gambling)
- A machine freeze may encourage more aggressive gambling before or after the mandatory break.
- 'At-risk' players could respond by playing for longer if their session is interrupted moments before they 'expect' their machine to win the jackpot.
- During a mandatory machine freeze, a player may look for something to do. This could increase the risk that customers play on multiple machines.
- The machine freeze may trigger frustration and heightened anxiety among 'at-risk' gamblers.

Privacy

- Denying players the opportunity to exit a display screen provides players with inadequate protection from having personal information scrutinised by others. Given the potential for the session information to be inaccurate, the privacy issue becomes even more sensitive.

Anecdotal Feedback from SKYCITY Customers

SKYCITY staff in New Zealand now have considerable experience of customers' views of pop-ups. This is the only *actual* evidence to date of how pop-ups are performing. Many of the practical concerns SKYCITY raised with New Zealand's Department of Internal Affairs at the time have been borne out in feedback from customers. The general view of SKYCITY's New Zealand gaming staff is summarised as follows:

- *"Customers tell us they find pop-ups to be annoying, especially when they're playing for jackpots."*
- *"Some customers express very strong concerns about privacy – they don't like people being able to see pop-up screens by looking over their shoulder."*
- *"Some customers say they don't care about the play information contained in pop-up messages and that they don't read them."*

Implementation costs

This was a major concern for SKYCITY and the industry generally. Many machines needed to be replaced in order to run pop-up technology. It cost SKYCITY and the NZ industry millions of dollars to comply with pop-up regulations.

Similar costs would be expected if a pop-up system was mandated in South Australia.

No other jurisdictions operate a pop up system. If pop-ups are required, venues will no longer be able to purchase EGMs 'off-the-shelf'. Instead, they will need to be specifically modified meaning every new EGM will be more expensive. This will have a significant negative impact on profitability.

SKYCITY strongly supports a national system of regulation of EGM standards and requirements. Individual EGM requirements, imposed by each state and territory regulator, have had a large negative and unjustifiable impact on the cost of doing business.

3.2.10 Sports betting advertising

Adelaide Casino makes no comment on Codes relating to other industries.

3.2.11 Consolidating the Wagering codes

Adelaide Casino makes no comment on Codes relating to other industries.

3.2.12 Children's play areas

Children are prohibited from entering all areas of the Casino other than *North* restaurant. Adelaide Casino is vigilant in excluding minors from the gaming areas.

We note that casino staff representatives have from time to time asked that management establish an on-site crèche, perhaps in parts of the Platform level of the Adelaide Railway Station, not licensed for gambling. A significant proportion of our 1,100 employees have young children. Some of our staff have worked in other casinos that provide crèche facilities for children of staff.

SKYCITY management have not accepted these submissions to date, due to cost. In an ideal world, a crèche for casino staff children would be of great assistance to employees and a useful tool to help SKYCITY attract and retain quality staff.

Adelaide Casino is located in the Adelaide Railway Station and is part of a transport, arts and recreational hub. Adelaide Festival Centre, next door, for example, holds regular outdoor events for children.

Whilst we are vigilant in detecting and dealing with unaccompanied minors in the casino precincts, care would need to be taken before imposing restrictions on the movement and activities of minors in the area.

3.2.13 Cheques for winning

No casino in the world requires cheques to be paid out for winnings over a given level. Adelaide casino strongly opposes this proposal.

Adelaide Casino complies with clause 8(2) and provides a cheque to any customer who asks for one.

At pubs and clubs, a win of over \$1,000 is a "*rare event of good luck*" (as described in the 'Guide'). At Casinos, it is a commonplace event on both EGMs and table games. It is not possible to estimate accurately how many customers win \$1,000 or more on a hand or spin. It could be as high as 50,000 a week.

A relatively small bet can result in large winnings. For example, a successful \$30 bet on Roulette can result in a pay out of over \$1,000.

Players frequently cash out of one table and join another. Gaming play is interrupted for meals, bands, sports games on TV, smoking breaks or to visit other casino facilities. Players often convert chips to cash and back again many times during a visit.

In running a casino, it is assumed that a player will both win and lose hands many times during the course of their play. Over many hands, a particular outcome is statistically expected. Odds are set accordingly, to give the house a slight edge.

If a player *must* be given a cheque, they will not play with this amount. The Casino would need to re-set its odds. However, odds are relatively standard in all casinos around the world. Offering lower odds would have a significant negative impact on customer experience, patronage, revenue and profitability.

3.2.14 Obligations for staff welfare

SKYCITY provides several programs to help staff. These include:

- The Employee Assistance Program, a free, confidential counselling service available to SKYCITY employees for a wide range of personal issues, including for those employees having trouble controlling their gambling.
- The HRC Program. The HRCs are on shift at all times and are responsible for problem gambling issues with both staff and customers. The program goes well beyond that provided by any other gambling venue in South Australia.
- Extensive training to all staff about problem gambling issues, including recognising the signs of problem gambling and the range of help available.

Hing Research

We refer to Professor Hing's research³⁶ above where she found a range of in-venue factors can either increase the risks of gambling related harm or can have a *protective* effect on venue staff.

Audit of Adelaide Casino and Casino Staff

Relationships Australia South Australia (RASA) used Professor Hing's 2009 research (above) as a basis for research project. Their aim was to audit the casino's performance against both the risk factors and protective factors set out in Professor Hing's work³⁷.

The results of the RASA audit showed that Adelaide Casino had worked to eliminate the risk factors and implement the protective factors. Adelaide Casino continues to engage with RASA and issues surrounding staff risks are regularly raised in our dialogue.

The RASA Audit provides strong empirical evidence that SKYCITY has gone to great lengths to create a culture of *responsible* gambling.

³⁶ A Quantitative Analysis of Workplace Influences on Responsible Gambling and Problem Gambling Amongst Employees of Queensland Gaming Venues, by Associate Professor Nerilee Hing of Southern Cross University, 2009

³⁷ We disclose (again) that Adelaide Casino provided funding to RASA to conduct this audit.

Part VII Other Issues

Co-location of Gambling Products

Adelaide Casino offers a range of gambling products, including table games, EGMs, wagering (TAB), Keno and several other SA Lotteries products. Each is covered by a separate Code of Conduct. Sometimes these Codes are inconsistent. Compliance with all relevant Codes simultaneously may not be practicable (eg displaying gambling warning signs relating to each product).

We submit that Adelaide Casino's Codes of Practice are sufficiently rigorous to cover all forms of gambling conducted at our venue.

We therefore recommend that the Adelaide Casino's Codes are amended to clarify that the Casino need not *additionally* comply with Codes of Practice applicable to:

- SA TAB and their outlets
- SA Lotteries and its franchisees
- Other gaming machine venues; or
- Other industries to whom the Authority has enacted Codes of Practice.

Advertising Code, clause 3(h)

This clause states that the Casino must ensure that advertising:

“does not state or imply that a player’s skill can influence the outcome of a gambling activity”

There are several casino gambling products where a player's skill level can influence the outcome, such as Blackjack, Caribbean Stud and Texas Hold 'Em Poker.

The Adelaide Casino competes in the market for poker players. In our view, it would be reasonable for a Casino ad to target skilful poker players by encouraging them to test their skill at a more elite level.

We recommend that this clause be amended to read:

“does not falsely state or exaggerate the extent that a player’s skill can influence the outcome of a gambling activity”

Advertising Code, clause 3(j)

Clause 3(j) requires the Casino not to:

“... exaggerate the connection between the gambling activity and the use to which the gambling provider’s profits may be put

We assume that this clause is aimed at preventing a licensee overstating the contribution they make to popular causes or worthwhile community groups.

Clause 3(j) may confuse 'profits' with 'revenue' or 'funds'. Profits are what a company has left after all expenses are paid, including contributions to worthy community activities. Profits are, by definition, distributed to shareholders or reinvested in the company. If funds are used for anything else, they are not 'profits', but 'expenses'.

Consequently, it is technically impossible to breach this clause and it should be clarified.

Advertising Code, clause 4

Television broadcasting is increasingly diverse and new channels increasingly cater for specific market demographics. There are many television and radio programs broadcast during the hours specified in clause 4 that do not target minors. For example, SKY News broadcasts an Adelaide-specific News bulletin that is available from 4pm to 7:30 pm. It would be reasonable for Adelaide Casino ads to appear before Adelaide editions of SKY News.

Adelaide Casino recommends that this clause be amended to give the Commissioner power to exempt a licensee from compliance with clause 4:

- For a specific class of television program; or
- In relation to a particular channel that does not target minors.

Responsible Gambling Code, clause 2(b), clause 4(4).

The requirement set out in clause 2(b) and 4(4), to keep certain training and organisational documents, states these must be kept in “each gambling area”. All³⁸ of Adelaide Casino is licensed for gaming, including areas not only where gaming is actually conducted but also bars, restaurants, dance floors, kitchens, stairwells, corridors, toilets, offices, change rooms, storage areas, meeting rooms, air conditioning plant, boiler rooms, etc.

We assume that this clause has been cut and pasted from the Codes relating to pubs and clubs which traditionally have just one or two discrete areas for gaming.

Aside from regulators, members of anti-gambling activist groups and staff of politicians, Adelaide Casino is unaware of any person seeking the specified training and organisational documents. If any customer genuinely did want these documents, the first place they would ask is at the Casino’s Rewards desk (the casino’s prominently located customer service and information point).

Consequently, we recommend that clause 2(b) is amended so “*each gambling area*” is replaced with “*the primary customer information desk.*”

Responsible Gambling Code, clause 4(1)(a)(ii)

Clause 4(1)(a)(ii) essentially requires the expanded gambling warning message to be displayed on EGM second screens.

Adelaide Casino recently conducted an audit of its premises and found that a gambling warning message was displayed in over 1,100 front-of-house locations.

Every customer visiting the Adelaide Casino will see the gambling warning message in a range of different locations and contexts (eg on gaming tables, EGMs, posters for trade promotion lotteries, ATMs, brochures, cards, toilet doors, etc).

Technology is advancing rapidly and with the advent of the Bally gaming system, second screen capability is fast approaching. Second screen messages *may* promote gambling products; however they may also promote our non-gaming products such as bands, bars or restaurant menus.

³⁸ Apart from *North* restaurant and a few other incidental areas.

Messages may welcome customers, wish them a Happy Birthday or ask them to maintain a minute of silence on Remembrance Day. We hope the second screen will be able to advise customers that, for example, their car has been returned to the Valet area, enabling them to go home.

Second screen messages may appear once (eg “Welcome Mr Smith”) or may rotate through.

As currently drafted, clause 4(1)(a)(ii) would require every message at all times to display the expanded warning message. Given the sheer number of existing warning messages in Adelaide Casino, this seems unnecessary.

The current Advertising Code of Practice sets out where warning messages should be displayed. In our view, the same rules should apply to second screens. Therefore (for example):

- If a message on a second screen advertises a gaming product, such as a poker tournament, then a warning message should be included.
- If a message on a second screen advertises a non-gaming product, such as a restaurant offering, then a warning message need not be included.
- If a message on a second screen contains some other non-gaming information (eg a welcome, sports scores, weather) then a warning message need not be included.

Adelaide Casino recommends that clause 4(1)(a)(ii) be amended as follows:

“If the gaming machine displays a second game screen, then the provisions of the Advertising Code of Conduct apply to the material displayed on that screen as if it was a poster displayed externally.”

Responsible Gambling Code, clause 5A.

Clause 5A of the Responsible Gambling Code states:

“(1) *The gambling provider will ensure that coin can only be obtained from—*
(a) a cashier;”

There is no definition of ‘cashier’ in the Codes. Adelaide Casino has a range of staff members who may, in the course of their duties, provide cash to customers, including gaming attendants, Cage staff, loyalty desk staff, bar attendants, restaurant staff, etc.

Many staff members work in more than one outlet or department. They may perform one shift in, for example, a coin booth and another as an attendant in valet or behind the loyalty desk. Note that Adelaide Casino is very large, operates over three floors and there are several coin booths as well as numerous outlets where a customer may be handed coins (eg change at a bars or a restaurant).

Coin Booths are managed by the Gaming Machine Department and ‘Gaming Machine Service Attendants’ work both on the floor and in the booths. Breaking up the work performed during the course of a shift has had occupational health and safety advantages (eg a coin booth operator is not sitting in the same position for several hours).

Adelaide Casino has engineered its industrial arrangements to be as flexible as possible. Therefore a staff member in a slow outlet can be quickly transferred to an outlet experiencing a rush of customers. Consequently, the concept of who is a 'cashier' at any given time can be fluid and uncertain.

The purpose of clause 5A is to ensure that a customer obtain coins from either a (trained) staff member or an automatic coin machine while under surveillance. All Casino staff are extensively trained in harm minimisation issues. Staff operating in particular roles will have additional training about risks in their respective areas.

We recommend that the word "cashier" is replaced with "a staff member".

Responsible Gambling Code, clause 6(1)(a).

Some people may 'appear' to be intoxicated when they are not. For example, Adelaide Casino has a number of customers who suffer from cerebral palsy or spina bifida. Our Security Supervisors all have additional training (provided by a trainer with cerebral palsy) on identifying and distinguishing people with certain disabilities.

As drafted, clause 6(1)(a) may require us to exclude people who *appear* to be intoxicated (eg some disabled persons) but who are not. The clause may also require us to stop the gambling of a person who is not intoxicated but is merely 'horsing around', showing off or exhibiting other *potential* signs of intoxication.

We recommend that clause 6(1)(a) be amended to replace "*to prevent a person who appears to be intoxicated*" with "*to prevent an intoxicated person.*"

Part VIII Conclusion

In making contributions to previous Codes Reviews, Adelaide Casino worked with the Concerned Sector and made joint submissions. This was not possible for the purposes of this submission because of the three week deadline to the 2011 Review.

Adelaide Casino nevertheless intends to consult with representatives of the Concerned Sector and has written to the Authority requesting the ability to provide a supplementary submission, once this dialogue is concluded.

In summary, the Review 2006 made a range of findings based on views about the strong harm minimisation performance of the Adelaide Casino and, in particular, the HRC Program.

Adelaide Casino operates a unique business and offers customers a gaming experience not found in any other venue. In this submission we provide proof of our consistently higher standards of host responsibility compared with other gaming venues.

Our harm minimisation programs continue to improve because our company is committed to providing a safe environment and to minimising the risk of harm. Further regulation, of the sort proposed in the 'Guide for Participation', is not warranted.

21 March 2011



Mr Robert Chappell
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Dear Director

ABN 72 082 362 061

Re: Proposed changes to the Adelaide Casino Responsible Gambling Code of Practice -Training

The Responsible Gambling (Casino) Code of Practice (the Code) has been in force since 2004. Clause 10 of this Code describes four levels of training, required to be conducted by Adelaide Casino.

This Code was formulated and promulgated prior to the inception of the Casinos' Host Responsibility Coordinator Department. Responsible Gambling training has improved significantly since 2004.

Throughout this period, Adelaide Casino has worked closely with gambling counselling agencies. For many years the primary relationship was with UnitingCare Wesley. In more recent years, the Casino has worked with Relationships Australia and Anglicare. These agencies have been integral to the development and continued improvement of our training programs.

The training programs have also been informed and improved by the research of Dr Paul Delfabbro and his work on identifying problem gamblers in venues (commissioned by Gambling Research Australia).

Training is provided at three levels and this has been annually reported to the Authority for many years. Many staff technically required to undertake Level 2 training, pursuant to clause 10(1)(a), are undertaking Level 3 training.

The HRCs follow up Induction Training with a visit to new employees around six weeks after they commence work at the Casino. SKYCITY's HR Department provide the HRCs with a list of staff names from gaming and food & beverage departments. The HRCs talk to the individual staff member about HRC issues and ensure they understood the training. This individual follow-up significantly enhances retention and understanding of the information provided in the Induction Training.

A Review recently undertaken by KPMG on the HRC program and compliance at the casino noted that a discrepancy had developed between the Code and the current practice of the Casino, described above. This submission seeks to rectify the anomaly.

Adelaide Casino, Relationships Australia and Anglicare have recently held discussions about an appropriate revised wording for clause 10 of the Code.

As a result of these discussions, **we the undersigned recommend that the IGA amend the Code** as set out below.

Firstly, we recommend that the current clause 10(1)(a)(ii) be deleted. The obligation of junior staff, upon observing signs of problem gambling, is to refer the matter to their supervisor or manager. Currently, employees in supervisory roles must all complete Level 3 training. We upgraded their training obligations many years ago because they have more significant HRC obligations and are responsible for supporting and managing employees in respect of HRC issues.

The proposed changes would codify that all supervisors and managers employed in front of house (FoH) areas would complete (what is currently) Level 3 training. These FoH areas are:

- Security & Surveillance
- Table Games
- Gaming Machines
- Treasury Department (Cashiers)
- Valet Department
- Rewards Desk (formally Action Hosts)
- Food & Beverage

Further changes include re-wording subclause 10(1)(a)(iv) to implicitly acknowledge that the Host Responsibility Coordinators now perform the most senior harm minimisation functions. HRCs manage all aspects of problem gambling; keeping relevant documentation, recording details of those identified and management of the self exclusion/rescission process. The HRCs are the "Appropriate Employees" now, for the purpose of the Code.¹

We submit that this group should have a minimum of 8 hours training (as currently undertaken) and that there be a new obligation that this group receive on-going training, as appropriate.

Current Code:

- (10)(1) The gambling provider will—
- (a) Ensure that all staff receive problem gambling training provided at four distinct levels;
 - (i) for all staff at induction—training which identifies problem gambling (1 hour)
 - (ii) for staff employed in positions associated with Gaming, Food and Beverage, Security, Surveillance, and Action Hosts—further training which identifies problem gambling (2 hours); and
 - (iii) for all supervisors within the Gaming, Food and Beverage, Security, Surveillance, and Action Scheme departments—training identifying initial procedures for first level identification, and referral, of customers and supervised staff requiring assistance (4 hours); and
 - (iv) for appropriate senior employees—advanced training on the identification of, and intervention techniques for problem gambling, including administration of the self-bar process (8 hours);


¹ Note that the Casino's Codes of Practice do not include any reference to the HRCs. This is in accordance with submissions Adelaide Casino has made at previous Codes' hearings. The Casino argued that obligations relating to the HRCs should not be crystallised nor codified, particularly while the HRC program continues to evolve and improve. The Casino also argued that it should be entitled to the credit for resourcing such a strong program, over and above our legal obligations to do so. Casino submissions have been supported by the Heads of Christian Churches Gambling Taskforce. In the unlikely event that the Casino ever abolished or downgraded the HRC program, we acknowledge that this would have implications for our Codes of Practice. In the meantime, we continue to request that references to HRCs not be codified.

Proposed Changes

- (10)(1) The gambling provider will—
- (a) Ensure that all staff receive problem gambling training provided at three distinct levels;
 - (i) Level 1: All Staff at Induction: Provide training which identifies problematic gambling behaviour including the internal reporting process: 1 hour
 - (ii) Level 2: All front of house Supervisory/Management staff: Provide training for the identification and initial intervention of a person displaying problematic gambling behaviour, including supervised staff: 4 hours
 - (iii) Level 3: For appropriate relevant employees: Provide ongoing advanced training in the identification, reporting and intervention processes of those identified displaying problematic gambling behaviour; including the facilitation of the self exclusion and rescission processes

The undersigned recognise the need to continue to build a responsible culture within the Adelaide Casino. With this in mind, we believe that committing to a responsible and thorough approach to host responsibility goes a long way towards mitigating the negative impact on those most vulnerable.

Yours sincerely,


per **David Christian**
Adelaide Casino


Rosemary Hambledon
Relationships Australia SA


Christine Bell
Anglicare