Thank you for the opportunity to provide input to the public consultation process in lieu of the Victorian pre-commitment discussion paper. Attached is a copy of the completed discussion paper and below are some additional comments by way of background and summary.

**About the Gaming Technologies Association (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’s Board members include Ainsworth Game Technology, Aristocrat Technologies, Aruze Gaming Australia, Bally Australia, IGT (Australia), Konami Australia, ShuffleMaster Australasia and WMS Gaming Australia. All GTA members are public companies or part of a public company.

These are the people who are responsible for the design, development, testing and submission of all games and machines for approval in Victoria. The responsibility for delivery of changes to gaming machines rests solely with them.

**Summary of this submission**

The technology to deliver voluntary pre-commitment is not terribly complicated. However, difficulties with implementing such change arises in implementation rather than technology.

GTA suggests that a technology stakeholder group comprising representatives of venues, regulators, the Monitoring licensee, (pre-commitment suppliers if appropriate) and GTA’s Technical Committee focus on issues during the development process, in particular:

- cost-efficiency
- player access and ease-of-use
- technology interface complexities and demarcation
- coordination of quality assurance, testing and submission for regulatory approval
- increased game play functionality and entertainment for pre-commitment users
- the propensity of the final solution to assist players to minimise the risk of experiencing harm from gambling
The process of implementation

GTA would like to express some concern regarding jurisdictional differences and related matters.

The Victorian Government’s commitment to implement voluntary pre-commitment on all gaming machines in Victoria no later than 2015-16 is clearly understood. However, the final functionality design will have an immense impact on the specialist development resources required and therefore the schedule required for delivery.

During the schedule period, other Australian jurisdictions may impose requirements on gaming machines and their operating environments which will also impose demands on the specialist development resources required to develop new gaming machines or redevelop existing gaming machines.

It is important that jurisdictional differences do not result in duplicated development, testing and implementation processes so that new requirements are delivered cost-effectively. For this reason, the technology stakeholder group should carefully oversee requirements from other Australian jurisdictions as well as Victoria’s.

In addition, gaming machines in Victoria have been proven over many years to operate with probity and integrity. Any interface with, or communication to, any gaming machine should be subject to intense technical scrutiny and testing in order to ensure that operational integrity is preserved and enhanced.

Yours sincerely

Ross Ferrar
Chief Executive Officer
Interested persons and organisations are encouraged to provide submissions commenting on all or any of the parts of the pre-commitment discussion paper. The Department is particularly interested in responses to the questions posed throughout the discussion paper. Submissions are not required to answer any, or all, of these questions and may address other related issues. The Department will not consider any parts of submissions that seek to revisit the Government's determination that pre-commitment should be voluntary for players to use and must be available on all gaming machines in Victoria.

This response form reproduces the questions posed throughout the pre-commitment discussion paper. The Department welcomes use of this form in part or in full. It is not a requirement for submissions to use this form.

Submissions should be forwarded, in writing, to:
Post: Pre-commitment
Office of Gaming and Racing
PO Box 18055
Collins Street East
MELBOURNE VIC 3003
or
Email: pre-commitment@justice.vic.gov.au
For further information regarding this discussion paper, please contact:
Susan Graham
Project Manager – Pre-commitment
Telephone: (03) 8684 1972.

Your details

<table>
<thead>
<tr>
<th>Name</th>
<th>Ross Ferrar</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisation (if applicable)</td>
<td>Gaming Technologies Association Limited</td>
</tr>
<tr>
<td>Email address</td>
<td><a href="mailto:rferrar@gamingta.com">rferrar@gamingta.com</a></td>
</tr>
</tbody>
</table>
| Address | Level 34
50 Bridge Street
Sydney NSW 2000 |
| Telephone | 02 8216 0931 |

Please note:
Submissions will be published on the Department of Justice website. Any information that is commercial-in-confidence should be identified in your submission and a request should be made to withhold the information from publication.

For the purposes of this document, commercial-in-confidence material or information may be taken to include material or information:
- the publication of which would disclose information from a business, commercial or financial undertaking, and the material or information relates to:
  - trade secrets
  - other matters of a business, commercial or financial nature and the disclosure of the information would be likely to expose the undertaking unreasonably to commercial disadvantage.

In deciding whether disclosure of material or information would expose an undertaking unreasonably to commercial disadvantage, for the purposes of the above, persons providing submissions should give consideration to whether the material or information:
- is already in the public domain
- would be generally available to competitors
- could be disclosed without causing substantial harm to their competitive position.

Each submission will be considered on a case-by-case basis.
Part 1: What is pre-commitment and what will it do?

Potential pre-commitment features and processes

Q.1. To what extent will the proposed features and processes be simple and easy for players to access and use?

Although access and ease-of-use depend almost entirely on final functionality and execution, this should be uppermost in the minds of final designers. GTA suggests that a technology stakeholder group regularly focus on ease-of-use through the design and development process.

Q.2. To what extent will the proposed features and processes assist players to minimise the risk of experiencing harm from gambling?

At many levels, this is unknowable until detailed independent research is conducted on operational systems. GTA suggests that the technology stakeholder group focus on the propensity of the final solution to assist players to minimise the risk of experiencing harm from gambling.
Q.3. Can the proposed features and processes be easily implemented and are they cost-efficient (that is, are they the most effective mechanisms that impose the least cost to industry)?

The proposed features and processes are arguably difficult to implement and might not be cost-efficient, dependent on final specifications and stakeholder delivery. A wide range of options are available but their implementation depends on specification of the final solution. GTA suggests that the technology stakeholder group focus on cost-efficiency as the highest priority.

Q.4. What, if any, privacy issues might arise for players, and how can these be mitigated?

Wherever the gathering, matching and disseminating of information about individuals is undertaken, privacy issues will arise. An independent privacy audit of the final solution should be undertaken prior to implementation and at regular subsequent intervals. One mechanism for mitigating privacy issues might be to provide pre-commitment users with an anonymity option.

Q.5. What, if any, impacts on venue staff might arise from the proposed features and processes?

Any major new functionality is likely to introduce elements of confusion for players. Staff must be trained and able to distinguish and explain functionality details to players; and staff awareness audits should be undertaken at regular intervals subsequent to implementation.
Incentives and other factors that might influence the take-up and use of pre-commitment

**Cashless gaming**

Q.6. What are the benefits, costs and/or issues associated with linking pre-commitment and cashless gaming:
   - for players?

The benefits, costs and/or issues associated with linking pre-commitment and cashless gaming depend entirely on final functionality. However, it is possible that benefits for players might include greater convenience and a broader product offering.

   - for venues?

Linking pre-commitment and cashless gaming would introduce technology interface complexities between various systems and would require significant testing and development by all equipment suppliers in order to establish trouble shooting demarcation and end-to-end functionality. This might be considered by the technology stakeholder group.

Q.7. Does cashless gaming create risks for gamblers or encourage problematic gambling behaviour? Please provide explanations for your answer.

GTA is not aware of instances of cashless gaming creating risks for gamblers or encouraging problematic gambling behaviour.
Loyalty programs

Q.8. What are the benefits, costs and/or issues associated with linking pre-commitment and player loyalty programs:

- for players?

The benefits, costs and/or issues associated with linking pre-commitment and player loyalty programs depend entirely on final functionality. However, it is probable that players could be encouraged to utilise pre-commitment through player loyalty programs.

- for venues?

Linking pre-commitment and player loyalty programs might minimise technology duplication, thereby reducing the cost for venues. Similar to linking pre-commitment and cashless gaming, there would be technology interface complexities. Conversely, significant player loyalty hardware and software infrastructure is currently in place, which might be utilised to provide pre-commitment (after redevelopment, testing and submission for regulatory approval). This might be considered by the technology stakeholder group.

Q.9. Does linking loyalty programs with pre-commitment create risks for gamblers or encourage problematic gambling behaviour? Please provide explanations for your answer.

GTA is not aware of instances of linking loyalty programs with pre-commitment creating risks for gamblers or encouraging problematic gambling behaviour.

Q.10. How can loyalty programs be structured in a way that is complementary to pre-commitment or that actively encourages the take-up of pre-commitment?

A possible way to structure loyalty programs in a way that is complementary to pre-commitment or that actively encourages the take-up of pre-commitment could be to provide increased game play functionality and entertainment for pre-commitment users. This might be considered by the technology stakeholder group.
**Other factors that might influence take-up and use of pre-commitment**

**Q.11.** What other incentives could be provided in conjunction with pre-commitment to encourage its take-up and use?

GTA is not aware of other incentives to encourage pre-commitment take-up and use.

**Q.12.** What, if any, elements could discourage players from taking up or using pre-commitment? What incentives could be provided to mitigate this?

Elements which could discourage players from taking up or using pre-commitment include inconvenience and privacy concerns. Inconvenience concerns should be mitigated by the technology stakeholder group and privacy concerns could be mitigated by providing pre-commitment users with an anonymity option.

**Q.13.** Please provide any additional ideas to:

- encourage players to take up pre-commitment
- encourage venue operators and their staff to promote pre-commitment to patrons.

Tax relief or investment rebates for venues to ameliorate the cost of providing pre-commitment might encourage venue operators; and incentives for staff who train and excel in pre-commitment might encourage staff to promote pre-commitment to patrons. However, this would require staff awareness audits (see question 5).
Part 2: What are the technical options for pre-commitment?

Networked

Q.14. What are the key implementation issues for a networked pre-commitment system?

Implementation issues include complexity, cost and likely obsolescence. Also of concern is the amount of time required to design, develop, test and quality assure software and hardware prior to submission to the regulator for approval and subsequent sales to gaming venue owners. GTA suggests that the technology stakeholder group focus on coordination of the end-to-end system quality assurance, testing and submission for regulatory approval. Whether the pre-commitment system is networked or non-networked, a network of kiosks and administrative support equipment is required to provide players with information and card services.

Q.15. What are the ongoing costs and benefits of a networked pre-commitment system?

The costs of a networked pre-commitment system are difficult to assess until final functionality is known but include network operation and administration costs, field support costs, equipment maintenance costs and financing costs.

Q.16. What are the advantages and disadvantages for players of a networked pre-commitment system?

It appears that real-time delivery of information would be an advantage for pre-commitment users. However, this might be a low priority as the requirement should only apply where a player moves from a venue to another location where data is to be provided.
**Monitoring network infrastructure**

Q.17. What are the costs and benefits of using the monitoring network to deliver a networked pre-commitment system?

The costs of using the monitoring network to deliver a networked pre-commitment system are difficult to assess until final functionality is known. However, GTA considers that network infrastructure duplication (and therefore cost) should be reduced by comparison to a networked pre-commitment system.

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**Separate network infrastructure**

Q.18. What are the costs and benefits of using separate network infrastructure to deliver a networked pre-commitment system?

Using separate network infrastructure to deliver a networked pre-commitment system appears to duplicate network infrastructure (and therefore cost). It is also likely that additional points of failure would be introduced through multiple network interfaces. GTA considers that little (if any) benefit is available by using separate infrastructure to deliver a networked pre-commitment system.
Q.19. What are the key implementation issues for a non-networked pre-commitment system?

A non-networked pre-commitment system would still require a network of kiosks and administrative support equipment to provide players with information and card services. Implementation issues for a non-networked pre-commitment system include complexity, cost and likely obsolescence. Also of concern is the amount of time required to design, develop, test and quality assure software and hardware prior to submission to the regulator for approval and subsequent sales to gaming venue owners. However, dependent on the final pre-commitment system configuration, existing loyalty system infrastructure might be able to be utilised to mitigate the cost and complexity of implementation.

Q.20. What are the ongoing costs and benefits of a non-networked pre-commitment system?

The ongoing costs of a non-networked pre-commitment system include the maintenance and technical support of kiosks and administrative support equipment, along with venue staff training and trouble shooting field support facilities.

Q.21. What are the advantages and disadvantages for players of a non-networked pre-commitment system?

GTA is not aware of either advantages or disadvantages for players of a non-networked pre-commitment system.
Part 3: Who should provide pre-commitment?

Responsibilities

Q.22. What do you see as the responsibilities of the pre-commitment provider?

Responsibilities of the pre-commitment provider would include, but would not be limited to, specification of final functionality of networks, systems, gaming machines and support equipment; review of resulting technical specifications; specification of connectivity requirements between the various systems; installation of networks, systems, gaming machines and support equipment; administration of networks and systems; venue support including staff training and trouble shooting.

Monitoring licensee

Q.23. What are the key issues associated with the monitoring licensee providing pre-commitment?

Venues might be concerned that their daily operations rely on a single party; and possibly, cost and monopoly issues.

Q.24. What, if any, are the advantages and disadvantages associated with the monitoring licensee providing pre-commitment?

It appears that network infrastructure duplication (and therefore cost) would be reduced if the monitoring licensee provided pre-commitment. This would need to be demonstrated by means of a formal independent cost-benefit analysis and regularly reviewed after implementation.
Single provider

Q.25. What are the key issues associated with a single provider, other than the monitoring licensee, providing pre-commitment?

It appears that network infrastructure duplication (and therefore cost) would be increased if a single provider, other than the monitoring licensee, provides pre-commitment.

Q.26. What, if any, are the advantages and disadvantages associated with a single provider, other than the monitoring licensee, providing pre-commitment?

GTA is not aware of any advantages or disadvantages associated with a single provider, other than the monitoring licensee, providing pre-commitment.
Multiple providers

Q.27. What are the key issues associated with pre-commitment being provided by multiple providers?

It appears that network infrastructure duplication (and therefore cost) would be further increased if pre-commitment were provided by multiple providers compared to by a single provider.

Q.28. What, if any, are the advantages and disadvantages associated with pre-commitment being provided by multiple providers?

GTA is not aware of any advantages or disadvantages associated with pre-commitment being provided by multiple providers.

Thank you for taking the time to share your views with us.