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Attorney-General
Minister for Consumer Affairs
Minister for Water, Energy and Emissions Reduction
Minister for Gaming

Member for Kurrajong

RESPONSE TO QUESTION ON NOTICE Questions on Notice Paper No 44 28 June 2024 Question No. 2096

DR PATERSON: To ask the Minister for Gaming —

- (1) Have bet and load limits been abandoned by the Minister as a policy objective.
- (2) Given that a Central Monitoring System (CMS) is simply an accountancy tool for measuring taxation on its own, did the market sounding include cashless gaming implementation on top of the quote for the CMS, and what model of cashless gaming.
- (3) How much will a CMS (as per market sounding costings) cost to implement in the ACT and how (a) much of this cost will be covered by taxpayers, (b) much of this cost will be covered by clubs in the ACT and (c) will the Minister mandate the cost to be covered by ACT clubs, as the Minister has previously stated.
- (4) How much will mandatory, account based cashless gaming cost to implement in addition to a CMS (as per market sounding costing), and how much of this cost will be covered by (a) taxpayers and (b) clubs in the ACT.
- (5) How many suppliers provided quotes through the CMS market sounding process, and does the Minister view this number as sufficient.
- (6) Was the market sounding predicated on the ACT remaining at 3,500 machines.
- (7) What period of time was the proposed licence for the market sounding based on.
- (8) What is the timeframe that the clubs would be required to implement the CMS in full.

MR RATTENBURY MLA - The answer to the Member's question is as follows:

(1) The government is prioritising pursuit of alternatives to lowering electronic gaming machine (EGM) bet and load up limits because there are significant technology barriers to achieving these measures. However, because of the NSW Government's decision to lower the load up limit for new EGMs in NSW to \$500 from 1 July 2023, new EGMs in the ACT will also have a \$500 load up limit. (2) A CMS is not simply an accountancy tool for measuring taxation.

A CMS provides a wide area network that allows for the monitoring and control of all EGMs within a jurisdiction. While a CMS supports data collection for tax and related purposes, it also allows for the monitoring of other regulatory settings aimed at consumer protection. For example, a CMS can monitor for and detect changes in game software that might indicate that an EGM is operating with prohibited features.

The market sounding expressly sought information about gambling harm reduction capabilities that can be implemented on a jurisdiction-wide basis, underpinned by a CMS. The market sounding did not specify a 'model of cashless gaming' but rather sought information about what was possible from the available technology. Where the market sounding sought price information about cashless gaming, it assumed a mandatory, account-based approach with player accounts and associated harm reduction tools common to all EGMs irrespective of venue or operator (that is, a universal approach).

(3) The cost of implementation of a CMS to facilitate ACT-wide gambling harm reduction measures such as gambling pre-commitment and account-based gambling exclusion is not yet settled. The government's ongoing consideration of this proposal involves research and consultation to test and, where necessary, revise assumptions that might influence the cost to taxpayers and clubs.

The market sounding did not seek quotes. Rather, it sought price, operational, technical, and solution capability information based on a broad description of requirements and a range of assumptions.

Government has not yet resolved to introduce a CMS, and accordingly there has been no decision about who might bear the costs of a proposal of this nature.

(4) While the cost of implementing a cashless gaming in the form outlined would be additional to the cost of implementing an underpinning CMS, it is not possible to separately achieve this form of cashless gaming without underpinning trunk infrastructure such as that provided by a CMS.

As noted above, the market sounding did not seek quotes. Rather, it sought price, operational, technical, and solution capability information based on a broad description of requirements and a range of assumptions.

Government has not yet resolved to introduce a CMS, and accordingly there has been no decision about who might bear the costs of a proposal of this nature.

The government received three responses to the market sounding, The responses received were sufficient to assist the government to further understand issues relevant to considering how to achieve effective, ACT-wide gambling harm reduction measures.

- (5) The market sounding was not a procurement or approach to market for expressions of interest and cannot be considered indicative of future market interest during an approach to market.
- (6) The market sounding assumed the number of EGMs in the ACT would be between 3,000 to 3,500 EGMs.

- (7) The market sounding sought feedback from respondents on the term of an arrangement with a CMS operator necessary for financial viability. Similar arrangements in other jurisdictions range from 10 to 20 years.
- (8) The government has not decided whether it will implement a CMS. Issues such as the transition time for clubs remain under consideration.

Approved for circulation to the Member and incorporation into Hamsard.

Shane Rattenbury MLA Minister for Gaming

This response required 3hrs 20mins to complete, at an approximate cost of \$323.84