

OPERATIONAL COMPLIANCE ACTIVITY REPORT

CASH WITHDRAWAL FACILITIES IN GAMING MACHINE VENUES

MAY 2017

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Background

A licensed gaming venue's compliance with harm minimisation requirements is considered to be a high priority in relation to consumer safety. Access Canberra applies a risk-based approach to its compliance, targeting its resources to those activities where the risk of harm, unsafe practices or misconduct is the greatest.

The *Access Canberra Accountability Commitment* and the *Access Canberra Gambling and Racing Compliance Framework* sets out the principles and strategic objectives that underpin Access Canberra's compliance approach and inform its regulatory decisions. Available online at www.accesscanberra.act.gov.au

In January 2013 restrictions came into effect under section 153A (1) of the *Gaming Machine Act 2004* (the Act) whereby it is an offence for an Automatic Teller Machine (ATM) at a licensed premises to allow a person to withdraw more than a total of \$250 using any one debit or credit card from all ATMs on the premises on a gaming day.

Section 153A(2) of the Act exempts licensees with 20 or less gaming machines or those that only operate class B gaming machines (generally Taverns) from this requirement. The Act defines a *class B gaming machine*.

The intent of the ATM restriction measure is to limit at-risk or problem gambler's access to cash at a gaming machine venue, thereby limiting overspending. EFTPOS facilities were not included in the restrictions introduced under section 153A (1).

Inspections of ATMs and EFTPOS facilities were carried out by Gambling and Racing Commission (GRC) officers in 2014 and 2015 which at the time identified that licensees were providing patrons with additional cash through EFTPOS facilities with high or no limits applied.

As a result of these identified issues, Clubs ACT, in consultation with the GRC, produced a *Voluntary Code of Practice* which included guidelines deemed appropriate to ensure that the spirit of the legislation relating to ATMs was not undermined through the provision of unrestricted EFTPOS transactions. The Code of Practice was provided to all Clubs ACT members who held gaming machine licences.

The GRC undertook monitoring activities to ensure adherence to the Clubs ACT Code of Practice.

Access Canberra (AC), on behalf of the ACT Gambling and Racing Commission (the Commission), is now responsible for administering the Act.

Purpose

Concerns were recently raised by the Minister and reiterated in the media that patrons of licensed clubs are able to obtain cash in excess of the \$250 limit by accessing both ATM and EFTPOS facilities provided at a venue to withdraw funds and subsequently use the cash for the purpose of gambling.

In response, Access Canberra initiated a compliance monitoring activity to assess all licensees' compliance with the Act and review the EFTPOS facilities available at each venue.

Authorised Officers attended a total of **46** licensed gaming machine venues in the ACT between 7 April 2017 and 13 April 2017. This included 10 club groups (incorporating 29 venues) and 17 individual venues.

Results

The following information was identified during the compliance monitoring inspections.

Inspections of ATMs

Access Canberra Authorised officers attended 33 **non-exempt** venues.

Number of ATMs identified per venue:

21 Venues	11 venues	1 venue
<ul style="list-style-type: none">• Only 1 ATM on premise	<ul style="list-style-type: none">• Two or more ATM on premise	<ul style="list-style-type: none">• No ATM on premise

Findings:

31 venues were compliant with the Act.

One venue did not operate any ATMs on their premise, however, had 2 ATMs that were accessible on an adjacent premise. It is understood by Access Canberra that these ATM's are affiliated with the licensee, and accessed via a glass door beside the reception area. As these were ATMs technically not located on the licensee's premises no withdrawal limits were applied to the ATMs.

All ATMs at each venue were located outside the designated gaming areas; however 8 venues had either ATMs or EFTPOS facilities located between 1 and 5 metres from the nearest gaming machine.

Access Canberra found that 7 venues displayed signage near the ATM stating that further cash is available and where to access the cash.

Nine (9) venues had ATMs located in a position whereby staff located in the Bar or Reception area could not easily monitor who was using the facility.

Non-compliance:

Two venues were identified as operating two (2) ATMs that complied individually (applying the \$250 limit per machine per day) however, when the totals were combined patrons were then able to withdraw in excess of the \$250 limit per day (total of \$500).

Access Canberra has initiated an investigation in relation to these issues.

Inspections of EFTPOS facilities

Thirty two (32) venues offered cash out from an EFTPOS facility.

32 Venues	1 venues
<ul style="list-style-type: none">EFTPOS available	<ul style="list-style-type: none">No EFTPOS Available

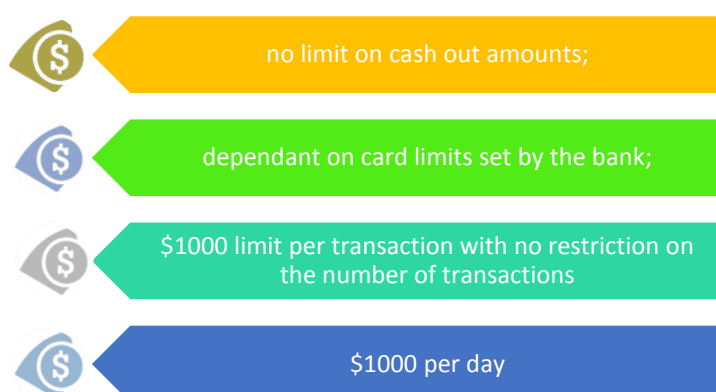
Findings

One venue did not offer EFTPOS cash out as they allowed patrons' access to unrestricted ATMs on an adjacent premise, as noted above.

One venue placed the EFTPOS facility beside the ATM.

The majority of venues displayed signage advising of EFTPOS availability at the location where the EFTPOS machines were available.

Venues applied various cash out limits on EFTPOS withdrawals, which included a broad range of limitations:



Patron Interaction

All venues required their staff to have some form of interaction with patrons. In some instances this was minimal with the staff member only turning on the machine and swiping the card, compared to other venues where staff members were required to swipe the card and handout the cash.

Exempt Venues

Thirteen (13) venues are exempt from the \$250 ATM limit requirement.

Section 153A(2) of the Act exempts licensees with 20 or less gaming machines or those that only operate class B gaming machines (generally Taverns).

The following information was indentified;

3 Venues	10 Venues
<ul style="list-style-type: none">• No ATM's	<ul style="list-style-type: none">• one ATM on the premise

8 Venues	5 Venues
<ul style="list-style-type: none">• No cash out from EFTPOS	<ul style="list-style-type: none">• EFTPOS limit of up to \$200

Outcomes

The Access Canberra compliance monitoring activity has identified a number of concerns.

Whilst overall compliance with the ATM \$250 cash out restrictions was high across all licensed clubs, there appears to be limited compliance with the *intent* of the Act in order to encourage limits on cash withdrawals within the venue.

Based on the current findings it appears that licensees are enabling the bypassing of the ATM restrictions by providing an alternative to patrons through cash out from EFTPOS facilities with either very high or no limits applied.

It is concerning that some venues advise patrons where extra cash may be obtained and other venues display signage above EFTPOS facilities promoting its location.

These actions undermine the harm minimisation principles that were applied when the ATM restrictions were originally introduced. The information highlighted in this report will be used to inform the ACT Government in its broader consideration of the current policy settings regarding harm minimisation initiatives.