



**ALLIANCE FOR
GAMBLING REFORM**

Alliance For Gambling Reform
Opening Hours Policy Paper

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Executive Summary

Enforcing breaks from Electronic Gambling Machines (EGMs) through reducing and harmonising operating hours of gambling rooms is a harm reduction measure which could have a significant impact.

The social costs of gambling harm have been estimated in both Victoria and Northern Territory but not on a national level. What we do know from these costing studies is that in the 2014-15 period in Victoria, gambling harm cost Victoria nearly \$7 billion which included financial, emotional and psychological, family, crime, work and government costs of harm (Browne et al., 2017).

Critical actions, such as reducing the operating hours of poker machines must be taken to reduce and prevent gambling harm for the overall health and wellbeing of individuals, families and communities.

Supporting governments to recognise reducing opening hours as a gambling harm minimisation tool is the first step towards preventing gambling harm.

Recommendations

1. Opening hours of gambling rooms that contain Electronic Gambling Machines (EGMs) should be restricted from midnight to 10am across the country
2. The Alliance accepts there needs to be an incremental change to opening hours over time and therefore urges jurisdictions to initially impose a uniform closure with in all venues in the state or territory.
3. The Alliance is clear that these incremental changes need to happen as fast as possible, and not be weakened by industry pressure. There needs to be bipartisan support on the issue and it should be written into legislation
4. There should be a commitment from state governments to provide alternative spaces to fill the need for people using EGM venues as a refuge and safe place.

■ Introduction / background

In 2010, the Productivity Commission presented evidence that supported earlier commencement and longer duration of mandatory shutdown. It found that the mandatory shutdown should occur no later than 2am and be for at least six hours. The Commission accepted that venues' revenue derived from gaming machines would decline as a result of mandatory shutdowns and is to be expected if the measure is having an effect on reducing harm on gambling.¹

In 2008, NSW reviewed the effectiveness of a six hour shut down period introduced in 2003.² Findings included a correlation between gambling harm and late night hours (12am to 6am) and found a venue shutdown is effective in mitigating gambling harm by forcing a 'break in play.'²

The 2020 NSW update survey shows overwhelming community and gambler support for a minimum shutdown of 4 hours, for it to be late at night/early morning, and for the shutdown to be uniform across venues.³ Respondents all recognised that these actions significantly help reduce harm.

As each jurisdiction has different laws related to the operation of EGMs, there are varying lengths of time gambling rooms and venues must be closed. See below for each jurisdiction's legislation.

Victoria:

In 2004, the Victorian Government legislated to reduce opening hours of EGMs in Victoria to 20 hours a day. This followed a previous law that allowed venues to operate 24 hours a day. Venues can now apply for a 24 hour license and it can be granted if the 'no-net detriment test' is satisfied, although that has never been applied since the reform was introduced.

The changes in 2004 did not specify what hours venues must close their EGM room. As a result, venues have staggered hours so that in many, usually high EGM loss municipalities, there is access to poker machines 24 hours a day. It appears there are specific venue operators who operate multiple venues in Victoria, staggering hours of venues within close proximity.

Tasmania:

Currently in Tasmania, gambling rooms can only be open for 20 hours a day within a 24 hour period. Similar to Victoria there must be at least four continuous hours each day when poker machines are not operating.⁴

South Australia:

In South Australia poker machine rooms must be closed for a period of six hours and can be:

- One period of six hours
- Two periods of three hours
- Three periods of two hours

In any other case gambling machines cannot be operated before 10am on Monday to Friday and between 2am to 10am on Saturday and Sunday.⁵

New South Wales:

Clubs and Hotels must not operate gambling machines between 4am and 10am each day of the week. However, venues can apply to vary the shutdown period or apply for a three hour shutdown period which is:

- A 3-hour shutdown from 6am to 9am on Saturday, Sunday and public holidays
- A 3 hour limited shutdown from 6am to 9am every day ⁶

Queensland:

The maximum trading hours for venues with liquor and gambling are 5am to 2am (3am in Drink Safe Precincts). Gambling rooms can apply to increase their opening hours for up to two hours after service of liquor has ended.⁷

Northern Territory:

EGM hours are tied to the liquor licence hours of each venue and in those circumstances the maximum operating hours would be from 4am to 10pm, with a 6 hour closure period.⁸

Australian Capital Territory:

The ACT has a general 6-hour shutdown period however there is a process to apply for a 3 hour shutdown period on weekends and public holidays and there are other reasons for applications to extend operating hours including 'hardship grounds' and 'early openers.'⁹

Western Australia:

There are no poker machines outside the Western Australia casino which operates 24/7.

■ Key Issues

Evidence supporting a reduction in EGM operating hours:

Due to the difficult nature of collecting evidence on the level of harm being experienced during late night and early morning hours, there are not many studies that look into the impact of reduced opening hours on preventing harm. However, states and territories with Central Monitoring Systems attached to their poker machines will be able to analyse data that shows the number of people using poker machines at any time, and the amount of money being lost on those machines.

A number of studies which underpin the Alliance's position including significant anecdotal evidence and a large study of the effectiveness of reduced hours in NSW. McCarthy et al., conducted a study on the risk perceptions and behaviour of older female gamblers and found that venues provided a safe space at night for women, particularly older women.¹⁰ Further, it is often these venues that are the only places open in the early hours of the morning and provide a welcoming environment, and also at times, a refuge from family-related violence.¹¹

It is essential that alternative, safe and welcoming community spaces are provided to fill the gap for people who are attending venues late at night due to family-related violence or loneliness.

Blue Moon research conducted a study into the effectiveness of reduced hours in NSW in gambling harm.¹² Most venues were required to shut from 4am to 10am for 6 hours, however there were exceptions to the rule.

People who gambled held varying opinions about the shutdown, the effectiveness of the measure and whether it can (and should) be improved. The findings indicated over two in three (68%) gamblers supported the mandatory shutdown and just over two in five (43%) strongly supported the measure. Importantly, it is those most harmed by gambling that are most likely to support the mandatory shutdown (78% support the shutdown compared to 56% of non-harmed gamblers). In many cases, gamblers who are being harmed are aware they have an issue and would like some measures to help minimise the effect of their gambling addiction.

Applying the question "does the shutdown disproportionately affect recreational gamblers or those not at risk?" to the data collected in this study, it would seem that relatively speaking the answer is no. The shutdown impacted everyone in the venue at the time, but the majority of those were found to be at risk or be harmed by gambling, **particularly late at night (12am to 6am)**. This supports the Alliance's call for mandatory shut down from late at night and early in the morning.

Table 1.13.1 Times when usually play EGMs

Q4i TIMES OF DAY WHEN USUALLY PLAY POKER MACHINES					
	Total	No problem	Low risk	Moderate risk	Problem gambler
<i>Sample</i>	272	63	57	74	78
6pm to 9pm	34%	27%	40%	35%	33%
9pm to midnight	22%	19%	23%	24%	23%
Midnight to 4am	6%		5%	8%	9%
4am to 7am	1%		2%	1%	1%
7am to 10am	2%	2%		4%	1%
10am to midday	15%	22%	11%	12%	14%
Midday to 3pm	10%	14%	7%	12%	8%
3pm to 6pm	9%	14%	12%	3%	8%
Don't know/ can't say	1%	2%			3%

Base: Total sample (n=272)

A key benefit to this shutdown is that all venues were to cease operating hours at the same time, forcing a break in play for the patron.

The study recommends substitute or complementary measures to support this measure for people who are already gambling and at-risk of harm. This includes primary prevention measures such as broad community education campaigns, and other secondary prevention measures such as a 'smart card' which forces breaks of EGM use and limit setting (otherwise known as mandatory pre-commitment).

The study concluded that the mandatory six hour shutdown was effective in reaching those with a high level of gambling harm that usually use poker machines during the time of shutdown.

Alliance for Gambling Reform review of Victorian operating hours:

In Victoria there is no data which tracks venues operating hours and it is very difficult to understand the impact that 'staggering hours' can have on the community. Venues in Victoria are able to be open for 20 hours a day, however the time they are allowed to operate is undefined so venues are able to 'stagger' their operating hours. This results in many communities having access to poker machines 24 hours, 7 days a week. One venue will close at 8am and another, just down the road, is able to open at 8am. The Alliance has spoken to a number of people who have 'venue hopped' between venues in order to continue gambling at all hours.

In Victoria, the Alliance has a staged advocacy campaign that encourages the government to set a universal closure time for all gambling rooms in the state to avoid staggering hours and venue hopping. To underpin this campaign, a volunteer and a Voice for Gambling Reform, Carolyn, researched the operating hours of every venue with poker machines in Victoria. This data allowed the Alliance to see patterns of staggering opening hours by venue operators who manage a large number of Hotels in Victoria. It clearly demonstrated that vulnerable communities most at risk of gambling harm are the most likely to have poker machines accessible in their communities 24 hours, 7 days a week.

Impact on shift workers:

The Alliance rejects the claim that shift workers 'need' EGMs operating in the early hours of the morning. The Alliance agrees there should be alternative recreation for all types of workers, however, any recreation available at all hours of the day is quite unusual. Further, unlike other recreational activities, gambling is associated with harm which negates any benefits that could be derived from early morning gambling.

Conclusion:

The operating hours of poker machine rooms in Australia need to be significantly reduced to prevent and reduce gambling harm in our communities. There needs to be uniform and harmonised national commitment from every state and territory to reduce hours from midnight to 10am. The Alliance accepts this may need to be incremental change over a number of years, however it should not be watered down by industry as other harm reductions measures have been historically.

The Alliance stresses that alternative spaces must be made available during such hours for people who may be fleeing family violence. These spaces could be libraries (such as [Libraries After Dark](#)), community houses or local government owned spaces.¹³

There are many pillars of change needed to reduce the level of gambling harm experienced in Australian communities and reducing the operating hours of EGM rooms is a significant and crucial step.

Appendix

Appendix 1:

Confidential_ Victorian EGM opening hours (AGR) (1).xlsx - Google Sheets: Available from: <https://docs.google.com/spreadsheets/d/1Czue4STRqwTfOR6js81cqq3hB4zTBbJu/edit#gid=1231836394>

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Contact Us

Our Community House,
552 Victoria St, Wurundjeri Country,
North Melbourne 3051, VIC
p. (03) 9999 7372 | f. (03) 9347 9933
e. info@agr.org.au

Media

For all media enquiries, please contact
0491 209 436 | media@agr.org.au

