

Gambling Industry Update

Important information for Gaming Machine Licence Holders

December 2022



What's in this edition?

Information for the **operators of gaming machines** about:

- trading over the upcoming Christmas holiday season
- results of the latest trading round for gaming machine entitlements
- renewal of facial recognition technology engagement agreements
- correct operation of facial recognition technology
- reviewing barred person information and notifying CBS of barring breaches
- changes to the Gaming Machines Gambling Code of Practice commencing 1 February 2023
- using the gaming machine self-assessment compliance audit checklist
- dealing with unredeemed TITO tickets
- accessing the IGC Web Portal
- changes to responsible gambling messaging used by online wagering operators, and
- indicators of money laundering.

Trading over the holiday season

With the Christmas holiday season quickly approaching, the number of visitors to South Australia from interstate and overseas is likely to increase. As practices in other jurisdictions may be different to South Australian requirements, now may be a good time to review your responsible gambling policies. In particular, gaming employees should be extra vigilant in relation to:

- identifying and responding to persons who may be displaying indicators of gambling harm
- preventing persons from entering a gaming area or remaining in a gaming area if the person's speech, balance, coordination or behaviour is noticeably affected as a result of the consumption of liquor or some other substance
- persons attempting to play multiple gaming machines
- ensuring that cash withdrawals using EFTPOS do not exceed \$250 on any one debit card or credit card within a 24 hour period
- offering payment of undisputed winnings or redemption of credits **in excess of \$500 or more** by cheque or electronic funds transfer, and
- unusual or suspicious behaviour in gaming areas which could indicate an attempt by persons engaging in money laundering activities.

Gaming machine trading hours

Christmas Eve

All **gaming machines** in hotels and clubs must cease operating at 12 midnight on **Christmas Eve**. The Adelaide Casino must also stop all forms of table gaming, gaming machines and automated table games.

If your hours of trade normally extend beyond midnight, IGC will automatically disable your gaming machines from 12.01am on Christmas Day.

You should ensure that all gaming machine operations have ceased and that any players have redeemed any winnings before midnight.

Christmas Day

Gaming is not permitted in licensed premises or at the Adelaide Casino on Christmas Day.

Boxing Day

Usual trading hours and conditions resume for Boxing Day. Gaming machines will be automatically re-enabled by IGC on the 26th December 2022 in accordance with the normal hours of trading affixed to your licence.

Approved trading system results

On 16 November 2022, the Liquor and Gambling Commissioner determined the results of the latest trading round for gaming machine entitlements.

This trading round again attracted significant interest with a total of 140 offers to purchase entitlements and 98 offers to sell entitlements being submitted.

In accordance with the [rules of the approved trading system](#), **76** gaming machine entitlements were sold in this trading round and resulted in:

- a **purchaser price** of \$40,000 (plus GST) being the amount that eligible purchasers will pay for each entitlement
- a **vendor price** of \$30,000 (plus GST) being the amount that eligible sellers will receive for each entitlement
- **57** gaming machine entitlements being **traded** to successful purchasers
- **9** gaming machine entitlements being **cancelled**, and
- **10** gaming machine entitlements being **transferred** to Club One.

CBS will notify gaming machine licence holders when the next trading round for gaming machine entitlements is announced.

Facial recognition technology

If your gaming venue is authorised to operate 30 or more gaming machines and at least one gaming machine can be operated using a banknote acceptor, it is a licence condition that you must have facial recognition technology (FRT) installed in your gaming area.

This is an important tool as it allows barred persons to be quickly identified and gaming staff to be alerted when a barred person is detected entering the gaming area.

Reminder to Licensees

If operating FRT, it is your responsibility to ensure that you have a **current FRT engagement agreement** with an approved [FRT provider](#).

This agreement allows the FRT provider to lawfully access barring data held by CBS for your licensed premises.

In the event that this agreement is allowed to lapse, access rights to barring data may be withdrawn meaning that any gaming machines with banknote acceptors will be disabled.

You are encouraged to regularly review the terms of your engagement agreement and in particular that you note the date that the agreement with your FRT provider will lapse.

As the licensee, it is **your** responsibility to provide CBS with copies of any updated agreements on renewal or new agreements if changing FRT provider.

Operating gaming machines with banknote acceptors without FRT being in operation, if required to do so, is an offence.

A contravention or failure to comply with a mandatory licence condition is an offence and penalties of up to \$20 000 can apply.

You are also reminded that it is a licence condition that you must, at intervals not greater than every 12 months, verify that your FRT system and any devices attached to the system are operating correctly. You should make a record of the actions taken to verify the correct operation of the system and retain the details for not less than three (3) years.

See the [Attachment B Gaming Machine Licence Conditions](#) for information about how a licensee may achieve compliance with this condition or contact your industry peak body or FRT provider.

A contravention or failure to comply with licence condition (k) is an offence and penalties of up to \$20 000 or a fine of \$1,200 can apply.

FRT Alert Devices

CBS would like to also remind licensees that it is a licence condition that any notifications displayed on equipment connected to a FRT system (including monitors, screens, tablets, smartphones or similar) and used on the licensed premises to receive alerts of persons identified by the system:

- must only be acknowledged and accessed by a person who has been notified to the Commissioner in the Barring and Online Employee Notification (BOEN) system as a gaming manager or gaming employee, or
- to persons acting on behalf of an approved industry body with whom the licensee has entered into a responsible gambling agreement, and
- must neither be accessible by, nor visible to, members of the general public.

A contravention or failure to comply with licence condition (l) is an offence and penalties of up to \$20 000 or a fine of \$1,200 can apply.

Barred person information

As part of its auditing functions, CBS compares data reported by each of the approved FRT systems against BOEN records.

Reminder to Licensees

It is a licence condition that within seven (7) days of a person contravening or failing to comply with an order barring them from the gaming area, that you notify CBS by making a record of the breach in BOEN.

This **must** occur even if the breach was detected and acknowledged using the FRT system.

A contravention or failure to comply with licence condition (o) is an offence and penalties of up to \$10 000 or a fine of \$315 can apply.

Reminder to Gaming Staff

Gaming staff are also reminded that the [Gaming Machines Gambling Code of Practice](#) requires that they must log into the BOEN system each time when on duty, or be provided with a current consolidated barring list from the barring register printed in colour, to review any new or updated barring information.

A contravention or failure to comply with clause 14(11) of the code of practice is an offence and penalties of up to \$2 500 or a fine of \$160 can apply.

Codes of Practice

Changes made to the [Gaming Machines Gambling Code of Practice](#) on 31 July 2022 now require:

- that any printed consolidated barring list **must be printed in colour** so as to ensure staff and licensees are able to accurately identify barred persons [clause 14(11)]
- that licensees **must** ensure that at least half the available screen space on automatic teller machines (ATMs) and cashable ticket redemption terminals (CRTs) while idle, displays an approved responsible gambling message [clause 17(1)(a)]
- that licensees **must** display the condensed warning message, national gambling helpline number and website address at or near each coin dispensing machine or customer service point where money is exchanged for coin, banknotes or tickets [clause 17(2)(a)]

The Commissioner determined that licensees would be given until **31 January 2023** to comply with these changes.

This means that from **1 February 2023** it will be an offence to contravene or fail to comply with these mandatory provisions of the code of practice.

A contravention or failure to comply with a mandatory provision of the code of practice is an offence and penalties of up to \$2 500 or a fine of \$160 can apply.

Self-Assessment Compliance Audit Checklist

CBS has developed a self-assessment compliance audit checklist to assist licensees with assessing their level of compliance with state-based legislation, regulations, licence conditions and codes of practice for operating gaming machines.

While not mandatory, regular completion of the checklist is strongly encouraged. It is recommended that the self-assessment checklist be completed at least every six months.

Further information about the key responsibilities of running a gaming machine venue and an updated checklist that incorporates the latest amendments to the Code is available online at sa.gov.au/gambling.

Ticket-in Ticket-out (TITO)

Since February 2021, South Australian hotel and club gaming machine operators have been able to install and operate gaming machines which are able to be operated by the insertion of banknotes or tickets using TITO.

Each ticket issued by a gaming machine is numerically unique with the ticket details and monetary value being automatically recorded by the state-wide gaming machine monitoring system, operated under licence by the Independent Gaming Corporation (IGC).

As part of its auditing functions, CBS has become aware of TITO tickets which after investigation have been found to have been paid, but due to incorrect ticket handling, have continued to be treated by the site controller and IGC as unredeemed.

IMPORTANT— when a player presents a TITO ticket for payment, it is essential that the ticket is also redeemed on the site controller, by a gaming staff member either by scanning the ticket using the IGC provided barcode scanner or manually entering the ticket details into the site controller.

Failure to redeem the ticket correctly, will result in the licensee continuing to be liable for the amount shown on the ticket.

Licensees are encouraged to review their ticket and cash handling procedures and remind gaming staff about the correct process for redeeming TITO tickets.

Reconciliation of expired tickets

After 12 months, a TITO ticket that has not been redeemed by a player, will expire and will no longer be able to be redeemed by the ticket holder.

The cash value of the unredeemed ticket must however be forfeited to the Commissioner and paid to the Gamblers Rehabilitation Fund (GRF).

To make it easier for you to better manage dealing with expired TITO tickets, only expired TITO tickets with a value of \$1 or more are required to be forfeited to the Commissioner and paid to the GRF. You are also **only required** to make this payment when the total value of expired tickets in a relevant month is **\$750 or more**.

IGC will reconcile expired tickets on the 2nd day of each month. Your **Unredeemed Ticket Statement** will be available from the IGC Web Portal from mid-morning on this day. You should check your Statement to see if you have an amount payable to the Commissioner.

If the total value of all expired tickets for your venue meets the \$750 threshold, the total value of these tickets must be paid to CBS by the last day of the month.

See the following schedule of when payments must be made to CBS.

Expired TITO Ticket Redemption Schedule

Tickets Issued	Unredeemed Tickets Will Expire	Unredeemed Ticket Statement Available	Payment Due By
Nov 2021	30 Nov 2022	2 Dec 2022	31 Dec 2022
Dec 2021	31 Dec 2022	2 Jan 2023	31 Jan 2023
Jan 2022	31 Jan 2022	2 Feb 2023	28 Feb 2023
Feb 2022	28 Feb 2023	2 Mar 2023	31 Mar 2023

A factsheet which explains how to deal with expired TITO tickets is also available from the [CBS website](#).

Payments can only be made online by using the [CBS Liquor and Gaming Online \(LGO\)](#) web portal using MasterCard, VISA or BPAY. Further information is available from sa.gov.au/gambling.

A contravention or failure to comply with licence condition (k) is an offence and penalties of up to \$20 000 or a fine of \$1 200 can apply.

What to do if the value of expired tickets is less than \$750?

If the total value of expired tickets is less than \$750, you will not be required to pay any monies to CBS, however the value of those tickets will be carried over and included in the calculation in the following month.

IGC Web Portal

Since 24 October 2022, IGC has implemented multi-factor authentication (MFA) security controls for users of the IGC Web Portal.

The latest changes now allow portal users to use a **mobile authenticator app** which is linked to their Web Portal account to verify their identity.

Refer to the latest IGC Bulletin for further information about installing and using a mobile Authenticator app.

Responsible Gambling Messaging

All Australian state and territory governments, including South Australia, have endorsed a framework of minimum player protections for online wagering, known as the National Consumer Protection Framework (NCPF) for Online Wagering.

From early next year, you may start to see and hear online wagering companies using a set of new responsible gambling messages in ads they share on television, radio, apps, digital or print advertising, social media and websites.

The new messages include:

- *Chances are you're about to lose.*
- *Think. Is this a bet you really want to place?*
- *What's gambling really costing you?*
- *What are you prepared to lose today? Set a deposit limit.*
- *Imagine what you could be buying instead.*
- *You win some. You lose more.*
- *What are you really gambling with?*

IMPORTANT - These new messages will only apply to the advertising of online wagering products and not the retail environment.

While it is likely that the responsible gambling messaging used by hotel and club gaming operators and the Adelaide Casino will also be reviewed in the coming months, the current prescribed expanded warning and gamble responsibly messages are still to be used at this time.

You are reminded that the expanded warning message to be used **from 1 January 2023 to 30 June 2023** will be:

*Know when to stop. Don't go over the top.
Gamble responsibly.*

If you operate game machines which are able to be operated using [ticket-in ticket-out technology](#), commonly known as **TITO**, the expanded warning message printed on TITO tickets will be automatically updated by IGC through the monitoring system.

AUSTRAC - Money Laundering Risks

In light of recent media reports exposing alleged money laundering activities connected with gaming machine venues located interstate, licensees and gaming room staff are advised to be alert to suspicious behaviour in gaming rooms at this time of year. In particular, gaming room staff should be alert to patrons:

- avoiding contact with cashiers and other staff by transacting exclusively through cashable ticket redemption terminals (CRT)
- refusing to produce identification when requested
- exchanging cash for TITO tickets from another customer
- cashing out and receiving a TITO ticket from a gaming machine after minimal game play
- redeeming partial redemption of a TITO ticket balance to avoid identification requirements
- inserting banknotes into a gaming machine banknote acceptor that are either old, dirty or of poor quality, or
- attempting to single out particular gaming staff when exchanging tickets at a cashier.

Further information

CBS Online

Further information about gaming machine licences, running a licensed gaming venue, wagering and lotteries in South Australia is available at sa.gov.au/gambling.

For any queries relating to liquor and gaming licensing, please contact CBS liquor and gambling on 131 882 (option 5) or by email at liquorandgambling@sa.gov.au.

For any queries relating to gambling regulation, using BOEN or LGO, forfeiting withheld winnings, barring orders, lotteries or to contact a CBS Barring Officer, please contact CBS gambling administration on 131 882 (option 6) or by email at gamblingadministration@sa.gov.au.

Independent Gaming Corporation (IGC)

For any queries concerning the monitoring of gaming machines, TITO and CRT operations, please contact the IGC Support Team.

[IGC](tel:83942222) – 8394 2222

Industry assistance

For industry advice, representation or advocacy, please contact your relevant industry body.

[Gaming Care](tel:81002499) – 8100 2499

[Club Safe](tel:82902200) – 8290 2200

Problem Gambling Assistance

The Office for Problem Gambling (OPG) provides free resources to gaming venues and gambling services funded by the GRF to help people understand gambling harm. These resources and details about services are available at problemgambling.sa.gov.au

AUSTRAC

Further information about reporting suspicious behaviour to AUSTRAC and your obligations under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* is available from austrac.gov.au.