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This Gaming Update is a little longer than usual - 1350 words - so it will take about five- six minutes to read

1. Getting ready for 2012

a. ATM withdrawal

From 1st July 2012 (i.e., almost **seven weeks before transition to the new gaming environment**) ATMs will not be permitted in gaming venues in Victoria.

CCAV believes that the no-ATM environment will be a period of significant adjustment for club members and guests that may result in short- to medium-term revenue downturns as they adjust to the inconvenience of not having cash available via an ATM. During that period, it will be absolutely essential for clubs to be prepared to assist customers with eftpos for purchases and cash availability.

There will be many hotels and clubs seeking new equipment to provide better eftpos facilities between now and next July, and this in turn may create a supply bottleneck. PLEASE ACT NOW to ensure your club is not left behind when the change takes place next July. While there is not yet pressure to instal new equipment, this *is* the time to be

evaluating what is available. You simply **MUST** have an effective eftpos solution available for members and guests.

- i. Beware of suppliers assuring that a (possibly expensive) eftpos solution is 'approved'.

As this Update is being written, CCAV is aware of several offers to clubs from various suppliers claiming to offer just that. Clubs should be aware that *the VCGR does not approve ATMs or eftpos facilities as devices or systems*. The VCGR is the compliance authority for the *Gambling Regulation Act* and as that authority approves *gaming equipment* which does not include ATMs or eftpos solutions.

Nevertheless the VCGR has made it clear that eftpos devices suitable in gaming environments, as opposed to ATMs, have several defining characteristics, viz.,

- The device must be capable for use by customers for services other than cash withdrawals;
- Withdrawal transactions must be restricted to a maximum of \$200 in any one transaction;
- Cash may not be provided *via* a cash advance from a credit account;
- The device must require interaction between the customer and a club employee;
- Transactions must be authorised by the club and the issuing authority (i.e, the bank) and a club employee must authorise the cash issue.

If these characteristics are present, then the device may be classified as an eftpos machine, not an ATM.

In considering offers from suppliers, CCAV recommends caution. Clubs should satisfy themselves that the offer for an eftpos solution meets these characteristics.

Other important things to consider about an eftpos proposal include

- What is the cost of the equipment? Is it possible to lease/ buy *in accordance with your club's needs*?
- Who will control eftpos charges? What remedy does a club have should it not agree with charges levied by the provider? Should you be considering introducing eftpos *per transaction* charges sooner rather than later?
- What will be the customer experience? Will the proposed system make it easy for customers to move to eftpos after having had the convenience, privacy and security of ATM use?
- What security does the eftpos system provide?



- Is the supplier reliable? Have they been in the business for some time? Can you meet with them, speak with them, talk over your issues with them?

VFJ, a CCAV sponsor, has been serving club needs in Victoria for 20 years, and has proved to be competent and reliable in that service.

iii.

Peter Kaye has a great offer for CCAV members - just mention this Newsletter to be eligible - the first 20 orders for his eftpos solution will have the option of receiving, absolutely free of charge, either

- a Single Denomination 30kg Mains/Battery Cashier Scale, or
- a Mains /Battery Coin and Note scale (for cashing up tills etc.)

b. Industry transition arrangements - CCAV member clubs assist government planning

The VCGR and the Gambling Licences Review (GLR) group within Dept of Justice have established a "business readiness Group" known as the Industry Forum - meetings with peak bodies to understand the requirements of venues through this phase and determine their preparedness. CCAV has been proactive in this process in ensuring the unique needs of clubs are catered for.

CCAV has nominated a number of member club personnel to assist in discussions with VCGR/ GLR, and on behalf of all clubs we say "Thank you" to those clubs who have unselfishly agreed to serve in this way.

CCAV supports the communications effort of the VCGR/ GLR, and in that spirit we alert members to some upcoming initiatives and events:

- In the near future, the VCGR/ GLR will ask clubs to complete a short survey to convey their understanding of the process and the main challenges during transition. Responses will be confidential, and we encourage clubs to provide feedback.
- The brief online survey will be followed some time later by a detailed questionnaire seeking to give the VCGR/ GLR specific information about clubs' understanding of and readiness for transition.
- The VCGR will also publish draft Venue Level Standards (VLS) on its website. The VLS will eventually replace the current

manuals provided by the Tatts and Tabcorp. This will be a great opportunity to delegate some portions for review by your own Business Readiness Groups (more information - go to <http://www.cav.com.au/gaming>) - an important task as it will highlight some of the things you will need to take responsibility for and allow you to provide feedback ensuring the standards are 'operationally sound'.

- The VCGR/ GLR will conduct a workshop/ seminar in October providing all clubs with greater detail about requirements for the changeover to the new environment.

c. Tabaret clubs - Tabcorp's transition plans

Tabcorp has conducted briefings recently to advise clubs of its intended processes for transition.

While there is a fair amount of detail to be filled in, one thing is clear - Tabcorp is seeking cooperation from clubs to ensure the smoothest possible transition.

Tabcorp has requested clubs to complete a 'Tabcorp Pre-Purchase Transition Plan" (TTP) in conjunction with Tabcorp so that an orderly approach to egm removal and installation can be put into place. CCAV believes clubs should give serious consideration to achieving a revenue uplift by entering into a TTP based on purchase of new floor stock. While this places pressure on organising financing for gaming floor stock now, it merely brings forward actions that will in any case be necessary by mid-2012.

NOTE: Tabcorp has NOT undertaken to sell specific numbers, or any, of its existing egm stock to clubs. CCAV believes it prudent for clubs not to plan for Tabcorp's releasing existing egms for sale, and therefore to plan to acquire egms for gaming machine entitlements independently of the current floor stock._____

2. Responsible Service of Gaming (RSG) Training

a. A little background, possibly well-known by all...

In June, the VCGR wrote to clubs advising of requirements for refresher RSG training. The letter reminded clubs that

- They must ensure "that a person working in the gaming machine area of an approved venue does not perform any of the duties of a gaming

industry employee unless that person has undertaken an approved RSG training full or refresher course as appropriate”.

- Refresher training must be undertaken before the expiry of the three year currency period of the initial RSG course. (In that circumstance, where the three year period has expired without refresher training, the person must re-enter the cycle by undertaking a the full RSG training again.)
- Records of training (the copy of the course certificate) for each employee employed in the gaming area are to be maintained by the club in a register, and the register will be inspected by VCGR inspectors routinely.

b. ...and consequences of these matters for clubs

Clubs have contacted CCAV seeking advice about training organisations, advice that we have been happy to provide. In other cases, clubs where the entire workforce's RSG currency was invalid engaged training providers to bring the entire group up to currency. While this has been necessary to overcome a short-term problem, it has nevertheless incurred costs for clubs.

Those are matters of administration and convenience; however clubs must be clear with staff that **it is an employee responsibility to maintain RSG training currency**, both for initial training and also for refresher. In addition to maintaining the records necessary for VCGR compliance, clubs should ensure that all employment agreements and club policies make it clear that employees are responsible for maintaining the currency of their RSG training.

3. Contracts with Tatts and Tabcorp - expiry dates

(Thanks for sticking with us to the end.)

Is your club one of the few with a contract with your Licensed Gaming Operator that has an expiry date that falls between now and August 2012? If so, CCAV would like to hear from you and help, if necessary. Issues have come to light in a recent case where we assisted a club in precisely this situation.

If you are in this situation, contact us by return email or call 9419 8505.

And finally - a BIG thank-you to our sponsors...see them below.

