

Research into late night electronic gaming machine usage

Research plan – July 2022

Background

Liquor & Gaming NSW (L&GNSW), Hospitality and Racing, is located within the NSW Department of Enterprise, Investment and Trade and administers the regulatory framework for liquor, gaming, wagering and registered clubs in NSW, including delegated licence decision-making, policy advice to government and supervision and enforcement of liquor and gaming laws. L&GNSW also supports the effective operation of the Independent Liquor & Gaming Authority.

Hospitality and Racing was formed on 1 April 2022 to help support the industry recover from the COVID-19 pandemic and ensure a vibrant, safe and responsible sector.

L&GNSW strives to ensure that:

- people enjoy vibrant and dynamic, as well as safe and responsible, liquor and gaming environments that balance responsible industry development with harm minimisation
- regulatory efforts are evidence-informed, collaborative, and risk-based. They are underpinned by innovative and agile approaches that foster responsible and sustainable liquor and gaming industries while ensuring their integrity and minimising harm in line with community expectations.

The NSW Gambling Survey 2019¹ found that 16% of the population had played EGMs in the previous 12 months and that EGM players had a significantly higher prevalence of moderate risk and problem gambling. Over a third (36%) of EGM players indicated some degree of gambling problems compared to 19% of the gambler population as a whole.

Not only is there evidence of the higher risk of harm associated with EGMs compared to other types of gambling, there is also growing evidence that moderate and problem gamblers may be over-represented among people who play EGMs between 12 midnight and 4am, and that there are risks specific to late-night play.

This growing evidence was acknowledged by the Independent Liquor & Gaming Authority in Guideline 16 (GL4026 – Late-night gaming applications)² which was developed in response to an increase in applications seeking to expand the availability of EGMs between the hours of 12 midnight and 4 am, including applications where EGMs were proposed to operate during late hours without liquor being available.

¹ Central Queensland University (2019). NSW Gambling Survey 2019. A report commissioned by the NSW Office of Responsible Gambling. Sydney.

² <https://www.liquorandgaming.nsw.gov.au/resources/ilga-guidelines>

While a significant body of research informed Guideline 16, the Responsible Gambling Fund in line with its Research Agenda and Research Plan 2021-22³ has provided funding to L&GNSW for further research on late night EGM play. The study will build upon available research to provide a rigorous understanding of the impact of late-night EGM play on player behaviours, to determine if reducing the availability of late-night play could be a harm minimisation strategy and whether increasing availability is associated with increased harm.

L&GNSW has appointed Roy Morgan Research (Roy Morgan) to conduct the research following a competitive procurement process. The Roy Morgan researchers have experience undertaking research concerned with collecting social behaviour and attitudinal data related to sensitive subject matters, including measuring gambling behaviour. Roy Morgan will be guided and supported by Dr Matthew Stevens who has recognised expertise in research of gambling behaviour, particularly regarding EGM usage.

Purpose

This research will build upon existing evidence to understand the impact of late-night EGM play on gambling behaviour and at-risk gamblers. It will provide NSW-specific evidence to help inform decision-making for gaming applications, particularly for extended trading hours to ensure that rigorous evidence is applied to decision making.

The study will provide insight and evidence on:

- the profile of those who regularly engage in late night play, particularly post-midnight
- the extent of displacement to nearby venues which have later trading hours, should a venue close
- demand from late-night workers for recreational play during this period and the Problem Gambling Severity Index (PGSI) profile of the shift worker community.

Methodology

Roy Morgan will undertake a survey comprising a representative cross-section of the NSW EGM player population, with a total sample of between n=500-750 participants.

Quota sampling will be used to ensure it broadly reflects the socio-demographic and geographic distribution profile of EGM users identified in the NSW Gambling Survey 2019. The sample will include representation across socio-demographic categories, including age, gender, marital status, employment status, socio-economic status; as well as the four PGSI categories; and area socio-demographics (postcode and SEIFA Index of Relative Socio-economic Disadvantage). Final data will be weighted to ensure the data accurately reflects the population characteristics identified in the NSW Gambling Survey 2019.

³ <https://www.gambleaware.nsw.gov.au/resources-and-education/check-out-our-research/research-currently-underway/research-plan-2021-22>

The sample will initially be drawn from Roy Morgan's Single Source Panel, as this provides details on EGM users who meet the sample design requirements (including those who do not have online access), allowing for highly targeted sampling. Given that the incidence of EGM usage in the NSW population is relatively low, additional respondents will be recruited from external sample providers.

The survey methodology will include a mixed mode design primarily based on an online approach with the provision for undertaking telephone interviews targeted towards EGM users who do not have internet access. Approximately 90% of interviews will be conducted online and 10% as telephone interviews.

The research will ask respondents about the last nine months of EGM player behaviour to capture behaviour following the re-opening of gaming venues in November 2021.

The findings will provide numerical estimates of the impact of late-night EGM play and behaviours across PGSI categories and according to socio-demographics.

Project Governance

The Research & Evaluation team in Liquor & Gaming NSW is leading the project with the oversight of a Project Steering Committee. The project methodology was informed by independent peer review and the final report will also be subject to independent peer review.

Timeframes and Reporting

This research project experienced significant delays due to the COVID-19 lockdown restrictions and the associated disruption to patronage at NSW hotels and clubs.

However, with the lifting of restrictions and the return of customers to regular and social gaming, the research fieldwork will be conducted in July-August 2022.

There has been a delay in analysis and reporting and a peer reviewed report will be made available in early 2023.

Further Information

More information on the existing evidence relating to late-night gaming can be found in Guideline 16 - GL4026 – Late-night gaming applications, available online at:

<https://www.liquorandgaming.nsw.gov.au/resources/ilga-guidelines>

For further information please contact research.evidence@liquorandgaming.nsw.gov.au