

The Inside Pokies



Player Guide

24/7, free and confidential Gambling Helpline offers support, information and telephone counselling. The Gambling Helpline can organise an interpreter for you.

www.problemgambling.sa.gov.au



GAMBLINGHELPLINE
1800 858 858
24/7 • FREE • CONFIDENTIAL



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References

1, 2, 3 Productivity Commission 1999, "Australia's Gambling Industries", Report No. 10, AusInfo, Canberra.

5 based on the Canadian Problem Gambling Index (CPGI) - Problem Gambling Severity Index (PGSI) component.

Funded through the Gamblers Rehabilitation Fund



Government of South Australia
Department for Communities
and Social Inclusion

Introduction

Gambling Help Services work to reduce the risk that gambling might become a problem and provide services for those who need treatment.



We do not suggest you never gamble. Gambling, in its many forms, is enjoyed by many in the community without major harm, but for some people gambling does become a problem.

This guide explains exactly what you are up against if you decide to play electronic gaming machines, or pokies, as they are commonly known. It explains how pokies actually work and why, in the long run, you will lose money.

It also provides you with information that, if you do decide to gamble, ensures you understand the risks and can gamble as safely as possible.

Why Should I **Understand** the Pokies?

Chances are that you will play or have already played a gaming machine. Studies¹ have shown that most problem gamblers are regular pokie players.

Pokies are more easily accessed than most other forms of gambling in the community. They are also user-friendly. Pokie venues can be fun places to visit. There is often free tea and coffee, the staff are helpful and fellow players may become your friends.

However, gambling involves risk and you may not understand that the risks can be more than just the loss of a few dollars here and there. Pokies are often an escape from the troubles of the outside world.

Some people get 'hooked' on gambling and this can have serious consequences. Assets, income, security, lifestyle and relationships are often put at risk. Just over 2% of Australian adults have gambling problems, however 15% of regular non-lottery gamblers have gambling problems.² Problem gambling does not only affect the person who gambles, but may affect an additional five to ten other people.³

For these reasons it is important that we understand the choices we make when we decide to gamble, and we recognise the warning signs that gambling could be developing into a problem.

Who **Runs** The Pokies?

In South Australia venues which operate gaming machines are individually licensed.

In the case of hotels, licences are issued to individuals, partnerships or companies. In the case of non-profit associations (such as clubs), community hotels or hotels operated by non-profit associations, licences are issued to an incorporated body.

An individual, partnership, company or incorporated body can operate any number of venues. However, a separate licence is issued to each of those venues.

An individual club or hotel can have up to 40 poker machines.

The Office of the Liquor and Gambling Commissioner polices the gaming laws in South Australia. It approves persons who perform certain prescribed duties in relation to gaming machines.

(You will see the staff in any gaming venue wearing their badge to show that they are approved to perform certain duties. For example a person who only performs duties as a cashier is not required to be approved or wear a badge but a person who is required to fix a coin jam or make a manual cash payment is required to be approved and wear a badge).

But Who *Really* Gets the Profits?

The operators of the venue retain the net gambling revenue after paying gaming tax to the government.

The amount of profit retained by the venue operator depends on the amount of Net Gambling Revenue (NGR) that the venue generates. NGR is the difference between the amount bet on the machines (also known as turnover) and the amount won by patrons.

Venue operators are required to pay gaming tax on the NGR that they generate. The amount of tax paid by the operator

depends on the amount of NGR generated by the venue.

Gaming tax is calculated on the venue's annual NGR but is payable monthly and is based on a sliding scale. For example, a profit venue which generates an annual NGR of \$100,000 is taxed at 0% for the first \$75,000 and 27.5% for the remaining \$25,000.

There are different tax rates for profit venues (hotels) and non-profit venues (such as clubs).

The table below shows the different tax rates (current at 6 March 2009).

	Other than Non-Profit Businesses (Hotels)	Non-Profit Businesses (Clubs & Community Hotels)
Annual NGR	Marginal Tax Rates	Marginal Tax Rates
\$0 - \$75,000	0%	0%
\$75,001-\$399,000	27.50%	21.00%
\$399,001 - \$945,000	\$89,100 plus 37.00%	\$68,040 plus 28.50%
\$945,001 - \$1,500,000	\$291,120 plus 40.91%	\$223,650 plus 30.91%
\$1,500,001 - \$2,500,000	\$518,170.50 plus 47.5%	\$395,200.50 plus 37.5%
\$2,500,001 - \$3,500,000	\$993,170.50 plus 57%	\$770,200.50 plus 47%
Above \$3,500,000	\$1,563,170.50 plus 65% of excess	\$1,240,200.50 plus 55% of excess

The table below shows the NGR and taxation split between profit and non-profit businesses for the 2007-08 financial year:

	NGR 2007-08 (\$mil)	%	Gaming Tax 2007-08 (\$mil)	%	Venue Share 2007-08 (\$mil)	%
Hotels	683.667	90.1	273.014	92.5	410.653	88.61
Clubs	74.792	9.9	22.022	7.5	52.770	11.39
Total	758.459		295.036		463.423	

It should be noted that venues also pay a 10% GST on total NGR in addition to State gaming tax shown above, so as per that table the Hotel sector would have paid an additional \$62.15 million in GST (NGR of \$683.667 divided by 11 = 10%) and the Club sector \$6.8 million (NGR of \$74.793 divide by 11 = 10%).

The South Australian Government and the gambling industry contribute funds to the Gamblers Rehabilitation Fund (GRF).

The GRF totals \$5.955m and comprises \$3.845m from the Government and a voluntary contribution of \$2m from the Hotel and Club sector and \$110,000 from the Adelaide Casino.

The GRF was established in 1994 to fund the Gambling Help Services and programs which aim to treat problem gambling and offer services to those affected by a gambling problem.

How Do Pokies Work?

A modern poker machine is simply a computer that has been programmed to look and act like an old style machine.

It is just like a computer game but you are playing with real money and there is no skill involved. You simply decide how many lines you want to play and how much you want to bet on each line. The machine spins and works out if you have or haven't won.

Nothing you do to the machine will improve your chances of winning. NOTHING! No matter what you might think. This guide will tell you why.



What are *credits*?

Machines in South Australia are tokenised. This means all machines will take \$1 coins and give you an equivalent amount of credits.

The table below shows how many credits you will get in different value machines.

Machine Value	Credits for \$1 coin
1c	100
2c	50
5c	20
10c	10
\$1	1



It is important to know how much your credits are worth in real money. You can cash out your credits at any time.

Depending on how much you want to cash out, coins could be paid to the coin tray, a ticket may be printed, or a venue attendant may have to pay you.

Never feel pressured to gamble all of your money. If you have an early win, cash it out and only gamble what you planned on gambling before you came to the venue. This way you can enjoy gambling but still go home with a win. Also if you have an early loss, don't try and chase it with more money. Chances are that you will lose even more than you initially planned. The table on the next page shows what credits are worth on different machines (1c, 2c, 5c, etc.)



CREDITS	MACHINE VALUE				
	1c	2c	5c	10c	\$1
5	\$0.05	\$0.10	\$0.25	\$0.50	\$5.00
10	\$0.10	\$0.20	\$0.50	\$1.00	\$10.00
20	\$0.20	\$0.40	\$1.00	\$2.00	\$20.00
50	\$0.50	\$1.00	\$2.50	\$5.00	\$50.00
100	\$1.00	\$2.00	\$5.00	\$10.00	\$100.00
150	\$1.50	\$3.00	\$7.50	\$15.00	\$150.00
200	\$2.00	\$4.00	\$10.00	\$20.00	\$200.00
250	\$2.50	\$5.00	\$12.50	\$25.00	\$250.00
300	\$3.00	\$6.00	\$15.00	\$30.00	\$300.00
400	\$4.00	\$8.00	\$20.00	\$40.00	\$400.00
500	\$5.00	\$10.00	\$25.00	\$50.00	\$500.00
750	\$7.50	\$15.00	\$37.50	\$75.00	\$750.00
1,000	\$10.00	\$20.00	\$50.00	\$100.00	\$1,000.00
2,000	\$20.00	\$40.00	\$100.00	\$200.00	\$2,000.00
5,000	\$50.00	\$100.00	\$250.00	\$500.00	\$5,000.00
10,000	\$100.00	\$200.00	\$500.00	\$1,000.00	\$10,000.00
20,000	\$200.00	\$400.00	\$1,000.00	\$2,000.00	\$20,000.00
50,000	\$500.00	\$1,000.00	\$2,500.00	\$5,000.00	\$50,000.00
100,000	\$1,000.00	\$2,000.00	\$5,000.00	\$10,000.00	\$100,000.00

Understanding *the Paytable*



The paytable is the artwork on the machine which tells you which combinations of symbols pay and how much they pay.

The paytable will usually tell you what combinations of symbols will pay for 1 credit on a payline.

Look at the paytable carefully, noting the paylines and combinations. There may be game features that you don't understand. If you don't grasp the game rules and features you may be throwing your money away. If you need help understanding the game, reserve the machine and call over a venue attendant. They will help you with any questions that you may have.

It is important to understand the paytable and rules of a game before you play as this will give you an idea of whether it is the type of game for you. An example is shown on page 13.

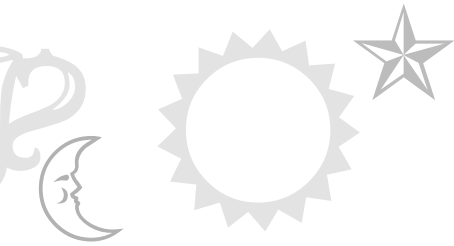


5 Lightning = 10,000 credits
1 in 13,312,000 chance



5 Hearts = 100 credits
1 in 52,000 chance

It is important to realise that the bigger the win, the harder it is to get. For example, in the game shown on page 13 there is less than a 1 in 13,000,000 chance of getting 5 lightning compared to a 1 in 52,000 chance of getting 5 hearts.




Best Bet





5 — 10000

4 — 5000

3 — 1000


 5 — 5000
4 — 2500
3 — 500

 5 — 2000
4 — 1000
3 — 250

 5 — 1000
4 — 250
3 — 50

 5 — 750
4 — 125
3 — 30


 5 — 500
4 — 100
3 — 25

 5 — 400
4 — 50
3 — 25
2 — 10

 5 — 300
4 — 40
3 — 20
2 — 5

 5 — 250
4 — 30
3 — 10

 5 — 200
4 — 25
3 — 10
2 — 5

 5 — 150
4 — 20
3 — 10
2 — 5

 5 — 100
4 — 25
3 — 10
2 — 5
1 — 2

- ALL WINS LEFT TO RIGHT ONLY
- ALL WINS ON LIT LINES ONLY
- COINCIDING WINS ARE ADDED

- ALL WINS SHOWN IN CREDITS
- ALL WINS ARE MULTIPLIED BY THE CREDITS STAKED PER LINE

MALFUNCTION VOIDS ALL PAYS AND PLAYS

PLAYERS RESPONSIBLE FOR ENSURING CORRECT CREDITS ARE REGISTERED BEFORE PLAY

● GAMBLER'S HELP SOUTHERN 2001

What Happens When I **Press** The Button?

A poker machine simply 'simulates' a physical, spinning reel machine.

When you press the button, your bet is taken and the animated reels start to spin.

When the reels are spinning the computer is actually deciding what symbols to display. To do this it does a series of things. To understand what it does we need to know some of the things about the machine.

The Reels

The reels of the machine are actually columns of symbols. You could think of a reel as being a strip of paper with symbols positioned one after the other. The strips for


each reel have a different number of symbols and the symbols are in different positions on each reel. The computer numbers the positions on each reel. For example, if reel one of a machine has 32 symbols, then the reel strip will be 32 positions long, numbered from 1 to 32. This allows the machine to know which position and therefore, which symbol, to display on the screen.

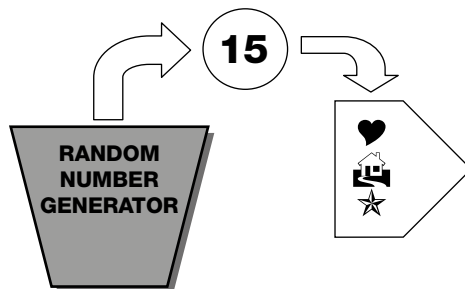
Reel 1	
Position No.	Symbol
1	★
2	🎰
3	○
4	🍷
5	☾
6	💰
7	🏰
8	🎰
9	🎰
10	🎰
11	✈️
12	🎰
13	○
14	♥️
15	🎰
16	★
17	♥️
18	☾
19	✈️
20	🍷
21	★
22	🎰
23	🎰
24	♥️
25	🎰
26	✈️
27	○
28	🎰
29	🏰
30	★
31	💰
32	○

The Random Number Generator (**RNG**)... or “a bucket of balls”

The random number generator is what the computer inside the poker machine uses to pick the symbol from each of the reels. It works a lot like a lotto draw.

It is as if the RNG puts a numbered ball for each position on the reel into a bucket and then shakes the balls up and picks one at random.

The ball that comes out is the position whose symbol will be displayed on that reel. For example if the computer was to pick the position for the reel shown on page 14, it would put 32 balls, numbered from 1 to 32, into the bucket and then pick one at random. If the ball was number 15, then the symbol on position number 15, the  symbol, would be displayed. This is then repeated for each of the reels in the game.



Reel 1	
Position No.	Symbol
1	*
2	♣
3	♠
4	♥
5	○
6	♠
7	♣
8	♠
9	♠
10	♠
11	♠
12	♠
13	○
14	♥
15	♠
16	*
17	♥
18	♠
19	♠
20	♥
21	*
22	♠
23	♠
24	♥
25	♠
26	♠
27	○
28	♠
29	♠
30	*
31	♠
32	○

The *Process*



1. You press the button.
2. The computer inside the machine completes a self-check to ensure that it is working properly.
3. The computer starts “spinning the reels”.
4. The computer picks a “ball” at random out of a “bucket” that contains all the numbered balls for reel 1.
5. The computer stops reel 1 at the number on the ball it pulled out of the bucket.
6. It pulls a ball at random out of another bucket which contains all the balls for reel 2.
7. The computer stops reel 2 at the number on the ball it pulled out of the bucket.
8. It repeats this process for reels 3, 4 and 5 using separate buckets for each reel.
9. Once all the reels are stopped, the computer works out if there are any wins on the lines you have gambled on.
10. If there are wins, it pays them otherwise you lose and the computer waits for you to press the button again. All of the balls go back into their buckets for the next game.

What is **Return** to Player?

Return to Player”, or RTP, is the percentage of money played on a machine that will be returned over the total number of combinations on a machine.



In South Australia, all new gaming machines must have an expected RTP of 87.5% or more. This doesn't mean that every time you play you will get 87.5% of your money back. If you could play enough games to get every possible combination of symbols (about 80 million combinations), both winning and losing, then you could expect to get 87.5% of your bets back as winnings. This also means the operator can count on at least 12.5% of your money.

For this reason the operator doesn't 'cheat' and the machines aren't 'rigged', they simply have a built in advantage for the operator i.e. there are many more losing combinations than winning ones.

What are *my chances* of winning?

Every time you press the play button each line you play will have about a 1 in 10 chance of winning.

However this simply means you have a 1 in 10 chance of winning at least one credit. Often this will not be enough to cover the total credits you have bet on that spin, so your spin would have an overall loss. For example, if you bet 1 credit per line and played 9 lines, the spin would cost you 9 credits. If 1 line won and paid 4 credits, you lost 5 credits on the spin. Why?

CREDITS BEFORE SPIN	20	
COST OF SPIN	-9	
WINS	+4	
CREDITS AFTER SPIN	=15	(A loss of 5 credits)

What are my chances of a **big** win?

Usually your chances of winning the highest prize on a machine are less than 1 in 10,000,000. That means that you have a better chance of winning Lotto or even being killed by lightning.



There are millions of possible combinations on modern poker machines and every spin has an equal chance of bringing up a winning combination. However your chances of winning a significant prize aren't very good. The operator has an advantage which is programmed into the machine - not only are there many more losing combinations than winning ones, most of the winning ones pay small amounts.

Why do my chances of winning differ from game to game?

Your chances differ because each game has different paytables and game features. Whenever the rules of the game or payable change, the RTP and your chances of winning each prize will also change. The game may also have a different RTP to the same game in a different venue or owned by a different operator. This is because RTP can also be changed by the operator to approved variations.

Understanding *probability* and odds

The terms “probability” and “odds” are two common ways used to describe how likely it is that a certain event will happen.

In gambling, both terms tell you how likely you are to win, but they do this in different ways.

- ◆ Probability is the number of winning outcomes divided by the total number of possible outcomes.
- ◆ Odds compare the number of losing outcomes to the number of winning outcomes, in ratio form.

Think of rolling a dice and hoping for a “4” to come up. In this case there are 6 possible outcomes, 1 winning outcome and 5 losing outcomes.

- ◆ The probability of rolling a “4” would be shown as $1/6$, or 1 in 6
- ◆ The odds of rolling a “4” would be shown as 5:1

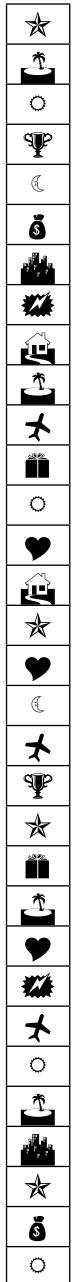
The maths of poker machines is simply an extension of this. Each reel has a number of symbols. The number of symbols depends upon the game, its payable and its return to player. The reels also have different numbers of symbols e.g. reel one may have 32 symbols but reel two may have 39 symbols and reel five may have 40 symbols. Also, symbols often appear more than once on a reel and this changes the likelihood of that symbol being selected. If we go back to our dice and it has two “4s” on it instead of only one, the probability of rolling a “4” would change to $2/6$ (simplified to $1/3$). That is, it would become more likely than if there was only one “4”.

Probability on a poker machine

To work out the probability of a winning combination of symbols on a poker machine, we need to find out the probability of that symbol appearing on each reel.

For our example, we will look at the chance of getting the top prize (5 lightning) on our Best Bet game. (The payable is on page 13.) Reel one from this game is shown on this page. This reel has 32 positions. That means on every spin there will be an equal chance of getting any of the 32 positions. However many of the symbols are repeated on the reel because even though there are 32 positions, the payable only has 12 types of symbols. This means that most of the symbols will be repeated more than once on the reel.

If we look at the reel strip we find that there are two lightning on the reel strip. This means there is a probability of 2 in 32, or 1 in 16, of getting a lightning on this reel on any spin. To find the probability of getting five lightning on any given spin, we need to know the probability of getting lightning on each of the reels. We then multiply these probabilities. If we do this for our Best Bet game, we would get a probability of 1 in 13,312,000. That's why it is so hard to win the top prizes. The odds are against you.



Game *Features*

There are many different game features that can appear on poker machines. Game features include free games, bonus feature or second screen games, scatters and substitutes.

Game features are added to poker machines to give you a feeling that you are getting something for nothing or a second chance to win. However you need to remember that everything that happens on a poker machine is included in the calculations done by the maker of the machine. So even when you believe you are getting free spins, you have paid for these through losses on the machine.

Game features can, however, add to the enjoyment of playing poker machines, as long as you stay in control of your gambling.

Double Up

Double-Up and other “Gamble” features allow you to quickly double your winnings or better, or lose the lot. Unless you are prepared to lose your winnings quicker it is not advisable to play Double Up. Although these features must return 100% to the player, it gives the machine another chance to take your winnings. The machine manufacturers understand that many gamblers are willing to take the risk, however unless you are prepared to lose your winnings, don't choose to Double-Up.

Jackpots

Jackpots are a special kind of prize that can be won on poker machines - but they are just a prize, like any other.

In South Australian hotels and clubs, operators are not allowed to link machines to offer large jackpots. These 'linked jackpots' are only available at the casino.

You will however find many poker machines with smaller jackpots that are confined to individual machines. These are known as 'stand-alone' jackpots.

Stand-alone jackpot prizes increase as people play the machine. They may be won randomly, or as a result of a combination of symbols or other events.

All jackpot prizes are treated in the same way as standard prizes for calculating a poker machine's RTP. That is, the jackpot prizes are not an added bonus; they are just another prize making up the 87.5% returned to players as winnings.



Gambling *Strategies*

Gambling on the pokies can be a fun form of entertainment as long as you stay in control and don't bet more than you planned.

However, people gamble for many reasons and there are strategies that you can use to make your experience safer and more enjoyable.

It is essential to understand that gaming machines are for entertainment. Like other forms of entertainment (restaurants, movies, bars etc.) you should expect to pay for your entertainment, not get it for free or even be paid money for doing it!



Playing to Occupy Time

Play a 1c machine that has free spins. Play as low a bet as possible. Make sure that you understand the game rules.

If possible play a machine with free spins that are progressive - you earn the free spins during play, or a machine with retriggerable free spins.

Playing for the excitement of second screen features

Pick a machine with a second screen feature that is triggered often. Examine the paytable to find which machine suits you best. Often when the machine is idle it will demonstrate what the feature looks like. On many poker machines,

Playing for the chance of winning a jackpot

On many poker machines, your chances of winning the jackpot are the same every time you push the button. Don't bet more because you think the jackpot is close to being won. It will likely cost you more in losses on the machine than you will get back if the jackpot does go off!



Safe Bets



- ◆ Leave your ATM card at home.
- ◆ Set a gambling limit and stick to it.
- ◆ Gamble only for fun.
- ◆ Be open with your family and friends about your gambling.
- ◆ Put any winnings in your pocket.
- ◆ Don't borrow money for gambling.
- ◆ Don't chase your losses.
- ◆ Be careful about mixing alcohol and gambling.
- ◆ If gambling is a problem for you or someone you know, phone the Gambling Helpline on 1800 858 858.

Who are the Gambling Help Services?

Gambling Help Services are free, professional and confidential services funded through the Gamblers Rehabilitation Fund.

At the Gambling Help Services you can talk to trained, experienced people who understand what you are going through.

You can talk over the phone or if you prefer, we can talk face-to-face in a safe, confidential environment.

Call the Gambling Helpline on 1800 858 858. Wherever you live there is always someone at the end of the telephone 24 hours a day.

We can help you come to grips with the problem and to find ways to deal with it.

Services available:

- ◆ Immediate Telephone Help
- ◆ Individual Counselling
- ◆ Couple and Family Counselling
- ◆ Financial Counselling
- ◆ Support Groups
- ◆ Community Education
- ◆ Multicultural Services



Warning *Signs*

There are some warning signs that gambling may be developing into a problem for you or someone you know. Ask yourself the following questions⁵.

- ◆ Do you bet more than you can really afford to lose?
- ◆ Do need to gamble with larger amounts of money to get the same feeling of excitement?
- ◆ Do you go back another day to try to win back the money you lost?
- ◆ Do you borrow money or sell things to get money to gamble?
- ◆ Do you feel that you might have a problem with gambling?
- ◆ Do people criticize your betting or tell you that you have a gambling problem, whether or not you think it's true?
- ◆ Do you feel guilty about the way you gamble or what happens when you gamble?
- ◆ Does your gambling cause you any health problems, including stress or anxiety?
- ◆ Does your gambling cause any financial problems for you or your household?



If you answered **yes** to any of these questions, you could be heading towards a gambling problem.

Call the Gambling Helpline on 1800 858 858. We can help.

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