The biggest problem with the current rating system is the heavy handed focus on incentives. The current legislation considers incentives with way to much influence than they really have. Incentives do not have that much emotional effect on the player playing the game and doesn't contribute to negative behaviour outside of a game. It's also hurt by its focus on sex and sexual violence on the same logic of affecting peoples perceptions or behaviour.

Games like The Witcher 2 being refused classification in Australia due to the fact that one of the Non Player Characters in the game will have sex with the player if they complete her quests or saints row removing the drug based alien invasion missions is absurd. Why should that be a big deal. People are not going to take these mechanics are real life examples. Nobody is going to think that if they do a 'quest' for someone in real life that they are going to have sex with them. That form of entitlement comes from other areas in people lives. The same way nobody thinks if they smoke weed they'll see and invading alien fleet and have to fight them off.

The severe focus on drugs also is absurd from the same angle. Lots of games use real drugs as short hand to give the player information. If my game has Defpian and Grasin the player has no idea what those are just from the name. But if a game has Aspirin and Morphine player instantly understand they are painkillers of different strength. Drugs are then also abstracted on top of this. In ARMA Morphine heals a broken leg. Nobody plays this game and thinks this is real. It is very clearly an abstraction, using real drugs to help push the modern military theme and not feel too Sci-fi.

Depictions sexual violence are also considered to heavily by the standards. Video games should be allowed to depict bad people doing bad things, or even the existence of those things. Hotline Miami 2 was refused classification in Australia for have a cut scene where a film crew was recording a rape scene for a movie. Complete with the director saying 'cut' then the 'rapist' and 'victim' getting up and preparing for the next scene. This isn't having the player raping someone or even showing real sexual violence. This is literally a film crew shooting a scene in a movie that would be legal in Australia. Media like 50 shades of grey is also legal. But games like Valkyrie Drive Bhikkhuni are banned because of the 'intimacy mode'. 50 shades of grey has a lot more rapey undertones and a lot more emotional impact than have a 3D girl say 'you can't touch me there'. If someone playing in 'intimacy mode' is going to then continue that behaviour in real life, why is the same not true for movies or books. Especially books that really push the fact that the girl 'actually wants it'.

Other forms of media are not held anywhere close to the same standards as video games. Video games are still treated like toys for children where mature themes cannot be explored. A game about someone becoming a drug addict, where taking drugs gives positive effects, but the overall context of the story is this person destroying there life would likely be banned despite the overall message of the game.

Video games do not have any more influence over a person than any other media. Video games causing violence has been studded countless time and no connection has been found. There is no reason to believe that video games will increase drugs usage or sexual violence but they are treated like they and it is completely ridiculous