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House of Representatives Standing Committee on Social Policy and Legal Affairs

Inquiry into online gambling and its impacts on those experiencing gambling harm

11 November 2022

Ms Peta Murphy MP
Chair, House of Representatives Standing Committee on Social Policy and Legal Affairs
Parliament House
Canberra ACT 2600
Email: spla.reps@aph.gov.au

Dear Ms Murphy,

Inquiry into online gambling and its impacts on those experiencing gambling harm

The Australian Gambling Research Centre (AGRC) at the Australian Institute of Family Studies (AIFS) welcomes the opportunity to provide a submission to the *Inquiry into online gambling and its impacts on those experiencing gambling harm*.

Gambling is a major public policy issue in Australia, affecting the health and wellbeing of many individuals and families in a range of ways [AIFS & AIHW, 2021]. Recent estimates suggest that Australians lose approximately \$25 billion on legal forms of gambling every year, representing the largest per capita losses in the world [Queensland Government Statistician's Office, 2021]. Gambling can result in the loss of time, money, or both, and gambling losses can lead to a range of negative consequences or gambling harms. These harms can range from financial, relationship or psychological issues, to serious legal or health issues [Murray Boyle et al., 2021; Victorian Responsible Gambling Foundation, 2016]. On average, six others are directly affected by a person gambling at high-risk levels [Goodwin et al., 2017]. Gambling at moderate levels affects three other people. Gambling low-risk levels affects one other person

The AGRC seeks to enhance understanding of the nature and extent of gambling participation and related harm in Australia, and advance knowledge of ways to prevent and reduce gambling harm among people who gamble, their families and communities. Given our role as a research body we focus our submission primarily on matters where we have conducted relevant research into online gambling in Australia or highlight relevant research findings by others. We have aimed to keep our submission concise, but upon request we would be pleased to elaborate in more detail.

We thank members of the Committee for giving their valuable time to this Inquiry and providing us with the opportunity to make a submission. Please do not hesitate to contact Dr Rebecca Jenkinson, Executive Manager, AGRC, at [REDACTED] for further information.

Yours Sincerely,

[REDACTED]

The Hon. Dr Sharman Stone
Director
Australian Institute of Family Studies

Overview

Online gambling¹ participation and harm is increasing in Australia. Well before COVID-19, there was evidence that online gambling was associated with considerable harm in the Australian community [Hing et al., 2021]. Our research suggests the pandemic era has accelerated the spread and scale of harm [Jenkinson et al., 2020].

A concerted harm prevention and minimisation effort is needed to address the harm related to online gambling in Australia, guided by a public health approach. Progress has been made in recent years to introduce a suite of consumer protection measures for people who wager online; however, it is too early to say whether these initiatives will be sufficient to reduce harm because most have not had time to take full effect. Additionally, some key proposed measures are yet to be implemented nationally (e.g. the national self-exclusion register).

There is increasing scientific evidence from gambling research, combined with relevant experiences in other fields of public health, to inform a national strategy for preventing and minimising harm from online gambling in Australia [Livingstone et al., 2019]. It is important that governments, communities, and experts come together to plan and implement such a strategy; an approach echoed by participants in our recent study of gambling in Australia during COVID-19 [Jenkinson et al., 2020].

To properly inform and guide a national strategy, Australia needs a systematic approach to monitoring and reporting trends in online gambling participation and harm. The Australian Gambling Research Centre (AGRC) has commenced work on a National Gambling Reporting System (NGRS or 'Gambling Trends Study'), which we see as critically important given the rapidly changing and expanding online gambling environment.

Key messages

- Participation in online gambling has increased in Australia, impacting the health, wellbeing, and financial circumstances of individuals, families, and the wider community.
- Research suggests that compared to land-based gambling there is a higher risk of harm associated with online gambling because of product attributes (e.g. highly accessible mobile technology, immersive interfaces, pervasive marketing, frictionless payments) and participant risk factors (e.g. young, male, single, poorer mental and physical health).
- Progress towards implementing the National Consumer Protection Framework for online wagering is continuing at the national and state/territory level. Ongoing evaluation and enhancement of the measures is required to ensure protections are strong, especially as the evidence base continues to develop and the online gambling environment evolves.
- A comprehensive national strategy to minimise harm from online gambling is needed, guided by learnings and successes in other areas of public health (e.g. tobacco control), and informed by a systematic approach to monitoring and reporting of emerging trends in online gambling participation and harm.

¹ Online gambling (also referred to as interactive gambling) includes all forms of gambling with money or cryptocurrency conducted via the Internet using a computer, mobile phone, tablet, or other electronic device, including gambling via interactive television [Hing et al., 2021]. A legal definition of interactive gambling in Australia (similar to the above) is contained in the Commonwealth Interactive Gambling Act 2001. The largest segment of online gambling is online wagering (also referred to as online betting), which is gambling on the outcomes of races, sports or other events, or on contingencies within an event.

Response to the Inquiry Terms of Reference prepared by the Australian Gambling Research Centre

1. The effectiveness of existing consumer protections aimed at reducing online gambling harm

We note the growing concerns of governments, expert groups, service providers, and communities about the harmful impacts of online gambling in Australia. Recent estimates suggest that 7.2% of Australian adults (or 1.3 million people) are at some risk of, or are already experiencing, gambling problems or harm [AIFS & AIHW, 2021]. Gambling harm is any negative consequence experienced by an individual or members of their social network because of participation in gambling. This can be experienced on a spectrum, ranging from minor negative experiences to crises, and is not always proportionate to the amount of gambling participation. Gambling harms can include:

- relationship harm (e.g. conflict within relationships, neglect of responsibilities),
- health harm (e.g. stress, depression, reduced sleep),
- emotional/psychological harm (e.g. feelings of regret, worthlessness, failure),
- financial harm (e.g. credit card debt, reduced spending on essentials), and
- work/study harm (e.g. reduced performance due to tiredness, absenteeism),

as well as harm occurring in other domains [Langham et al., 2015; VRGF, 2016; Murray Boyle et al., 2021].

The 2018 agreement between the Commonwealth and state and territory governments to implement a National Consumer Protection Framework (NCPF) for online wagering in Australia represents a significant policy development [DSS, 2018]. The NCPF arose out of recommendations from the O'Farrell review [DSS, 2015], which found that the existing regulatory framework for online wagering in Australia was fragmented and inconsistent, and that consumer protections for online wagering were much less robust than global best practice. An important basis of the NCPF was recognition that a different level of consumer protection was required for online wagering compared with other modes of gambling [Australian Government, 2016]. While it does not represent a fully comprehensive national strategy for minimising online gambling harm, the NCPF as an important initiative for defining and harmonising minimum consumer protections across Australia. Ongoing evaluation and updating of measures in the NCPF will help ensure protections are strong, especially as the evidence base continues to develop and as the online gambling environment evolves. While minimum protections between jurisdictions should be standardised, individual jurisdictions should be encouraged and supported to impose higher standards at their discretion.

In 2019, AIFS was commissioned by the Department of Social Services (DSS) to undertake a baseline study for a multi-stage evaluation of the NCPF, and we refer the Committee to the findings from our study [see [Jenkinson et al., 2019](#) for full report]. We note that since our baseline study, there has been considerable progress towards implementing the 10 measures contained in the NCPF agreement [DSS, 2022]. The 10 measures include four Commonwealth-led measures (three implemented to date), including a national ban on lines of credit (measure #1), a national ban on payday lenders (measure #2), a reduction in the customer verification period for online wagering to 72 hours (measure #3) and the national self-exclusion register (NSER) for online wagering (known as 'BetStop') (measure #10, expected late 2022). The six State and Territory-led measures (four implemented to date), include restrictions on inducements (measure #4), account closure (measure #5); a voluntary opt-out pre-commitment scheme (measure #6), activity statements (measure #7), consistent gambling messages (measure #8,) and staff training (measure #9).

A key challenge in assessing the effectiveness of consumer protections is the extent to which these are known, understood, and used by consumers. Research shows that most people who wager online do not use any strategies to limit or control their gambling [Hing et al., 2021; Jenkinson et al., 2019]. For example,

our baseline study of the NCPF found that less than half of participants had employed any strategies to try to limit or control the amount of time or money they spent betting online during the past 12 months [Jenkinson et al., 2019]. Specifically, only around one third reported that they had ‘monitored how much money they spent betting’ (39%), or that they had ‘set limits for how much they can spend each week’ (34%). Usage of the temporary self-exclusion or permanent self-exclusion options in online wagering apps/websites was particularly low at the time of data collection (4.2% and 4.7%, respectively).

The low uptake of such consumer protection features may be attributed to both a general lack of awareness that these tools exist, and negative perceptions (stigma) that such tools are only intended for people experiencing ‘problem’ gambling [Jenkinson et al., 2019]. Public awareness/education campaigns and comprehensive operator staff training may help to increase awareness and reduce stigma surrounding these tools and increase uptake.

2. How to better target programs to address online gambling harm to reduce the potential exploitation of at-risk people, and protect individuals, families and communities

To complement a strong emphasis on whole-of-population programs to minimise online gambling harm, consideration could be given to:

- (1) using operator level data to identify those at risk of harm and provide support with personalised interventions, and
- (2) adopting a national approach (such as that being implemented by the AGRC) to identifying and monitoring trends in online gambling participation and harm.

The available research suggests that there are sub-populations in Australia who may be at greater risk of harm associated with online gambling. For example, in our baseline study for the NCPF we found that over half (55%) of all male participants who wagered online would be classified as being at risk of some gambling harm (low-, moderate- or problem gambling according to the *Problem Gambling Severity Index*² (PGSI)), compared to around two in five (40%) female participants in the study [Jenkinson et al., 2019]. Analysis by age revealed that two-thirds (64%) of participants aged 18-34 years would be classified as being at some risk of gambling harm. Among those who were classified as experiencing any risk of gambling problems (n = 2,629), 77% reported wagering on horse racing in the last 12 months and 62% on sports.

In another recent survey of Australians conducted during COVID-19, we found that most of the participants’ gambling was conducted online (both before and during COVID-19) [Jenkinson et al., 2020]. Almost 1 in 3 participants signed-up for a new online betting account during COVID-19, and 1 in 20 started gambling online. Horse racing, sports betting, greyhound racing and lotto were the main products that participants gambled on before and during COVID-19. Of particular concern, we found almost 4 in 5 participants who gambled (79%) could be classified as being at risk of, or already experiencing, some gambling-related harm in the past year (i.e. low-risk, moderate-risk, and problem gambling combined). Young men (aged 18-34 years) were the sub-group most likely to sign up for new online gambling accounts, most likely to increase their frequency and monthly spending on gambling (from \$687 to \$1,075), and most likely to be categorised as being at any risk of gambling-related harm (90%).

Other Australian research reports similar findings. For example, in a 2019 survey of people who gamble online, higher problem gambling severity (PGSI score) was predicted by being male, never married, of Aboriginal or Torres Strait Islander descent, speaking a non-English language at home, lower reported

² The PGSI is a standardised measure of at-risk past-year gambling behaviour using scores from nine questions (yes=1, no=0) which categorises individuals as either: non-problem (score: 0), low-risk (score: 1-2), moderate-risk (score: 3-7), or problem gambler (score: 8+).

mental and physical health, participation in more gambling activities, greater exposure to wagering advertising and inducements, lower wellbeing, higher impulsivity and betting offshore [Hing et al., 2021].

Online wagering operators collect a large amount of information on consumer characteristics and behaviours. Compared with researchers, regulators and public health officials, these organisations have an unrivalled capacity to monitor (in real-time) and analyse consumers': betting and browsing activity (including frequency and time spent betting), deposit and withdrawal activity, responses to offers and promotions and use of consumer protection features (e.g. deposit limits, spend limits, self-exclusion). As such, operators are ideally placed to implement targeted harm minimisation interventions, using either personal observation or algorithmic identification, aimed at individuals who may be at risk of harm [Livingstone et al., 2019]. Some operators already use so-called 'red flags' of 'problem' level gambling behaviours to identify and respond to those at the risk of harm; they could broaden this approach to monitor and respond to early signs of harm; that is, in individuals who could be classified as low- or moderate-risk of harm [Browne et al., 2016].

Because an individual's at-risk gambling behaviours can change over time, operators could carefully monitor consumers with a prior history of harm, as well as individuals who have ever self-excluded or ever closed and later re-opened a wagering account. For example, our analysis of individual movements across each PGSI risk category over time using two waves of HILDA survey data shows evidence of change. We found 7% of people who met criteria for 'problem gambling' in 2015 had transitioned to the low-risk category in 2018, while 8% of people who were in the moderate-risk category in 2015 had transitioned to 'problem gambling' in 2018 [AGRC, unpublished].

In addition to targeting interventions for online gambling harm using operator level data, standardised monitoring and reporting of gambling participation, expenditure and harm is important given the rapidly changing and expanding online gambling environment. This information will help researchers understand emerging trends, as well as develop and evaluate policy and programmatic interventions. To date, such monitoring and surveillance has been ad hoc, and there are limitations in the key data sources that researchers and policy makers rely on (e.g. inconsistencies in study design, sample selection, and measurement of gambling participation and harm) [AIFS & AIHW 2020].

To address these gaps, the AGRC is currently conducting a National Gambling Reporting System (NGRS or 'Gambling Trends Study') to better inform and support evidence-based policy and practical responses. We envisage this national system will enable the collection of regular, comprehensive, and standardised data – within and across Australian jurisdictions – on trends in gambling participation, experiences of harms and help-seeking behaviours, and emerging issues warranting further in-depth investigation.

3. The effectiveness of current counselling and support services to address online gambling harm

Consideration could be given to increasing the availability and accessibility of well-resourced, high-quality counselling and support services as part of a comprehensive public health approach to reducing harm associated with online gambling. Counselling and support services can play an important role for people in the early or intermediate stages of experiencing harm (e.g. when setting deposit limits); not only when harms have reached an advanced stage. Access to counselling for affected others is also important, with some research showing that this can improve coping by other affected persons, as well as facilitate access to treatment for the person who is gambling [Merkouris et al., 2022].

Only a small proportion of people experiencing harm from gambling ever seek counselling or support services, and many only do so when problems have become severe [Gainsbury et al., 2014]. For example, findings from the literature suggest that only one in 25 people who meet the criteria of moderate-risk gambling, and one in five people who meet the criteria of problem gambling, will ever seek help [Bijker et

al., 2022]. Reasons for not seeking help include a preference to self-manage, and the perceived stigma, shame and embarrassment associated with experiencing gambling harm [Bijker et al., 2022].

Given the nature of online gambling participation, traditional modes of counselling (i.e. land-based, telephone) may not be as effective for some sub-populations. A large-scale study of online gambling counselling involving clients of an Australian national service found that this mode is especially valued by people experiencing feelings of stigma and shame about their gambling problems, because the online mode offers a degree of anonymity that traditional modes do not [Rodda et al., 2013]. Data collected by the AGRC as part of our NGRS and Gambling in Australia during COVID-19 studies suggests that online and telehealth services continue to support counselling needs evident during the COVID-19 lockdowns, and that young people in particular report feeling comfortable using relatively anonymous counselling via instant messaging services [Jenkinson et al., 2020; forthcoming AGRC publication]. This supports earlier research that found online counselling is appealing because of its anonymity, convenience, ease of access, and the opportunity for 'typing rather than talking' [Rodda et al., 2015].

Evidence suggests there is a need for increasing community awareness and understanding about the risks of harm from online gambling and how consumers can access support. In this regard, we commend the work of programs such as Gambling Help Online www.gamblinghelponline.org.au, which is funded as part of an agreement between the Commonwealth and State/Territories. The program is free, operates 24/7, is independent of industry and based on extensive research and expert advice, and staffed by professionals with specialist skills in online counselling. The program also offers a steppingstone to further help-seeking, including telephone and face-to-face gambling services, and extensive website content, self-help information and weblinks for additional support.

4. The quality of and access to protective online gambling education programs

To broaden accessibility and engagement, it is preferable that online gambling education programs avoid pathologising terms such as 'problem gambler' and focus instead on the risks and manifestations of harm. Research shows that harm from gambling is experienced by considerably more individuals and groups than those classified as engaging in 'problem' gambling [Browne et al., 2016]. Recent evidence suggests that the majority of those who experience some degree of harm are below the threshold of experiencing 'problem gambling' [Browne & Rockloff, 2017]. In a national population survey we conducted in mid-2022, almost half (46%) of those who gambled in the past year (all forms of gambling) were classified as being at some risk of gambling harm [AGRC, unpublished data]. This includes individuals whose risk level for harm was classified according to the PGSI as low-risk (14%), moderate-risk (12%), and problem gambling (20%). An over-emphasis on 'problem gambling' in education programs would be counterproductive as it could add to the stigma surrounding gambling harm, and potentially deter many people from seeking support.

If incorporated into a comprehensive public health approach to prevent and minimise online gambling harm, education programs could potentially bolster the impact of strong harm minimisation strategies, such as mandatory pre-commitment schemes, universal self-exclusion programs, and restrictions on the marketing of online gambling products. However, from the experiences in other areas of public health, education programs on their own have limited impact in protecting consumers from harm unless they are backed by strong policy and programmatic interventions that reduce exposure to the source of harm [Livingstone et al., 2019].

5. The impact of current regulatory and licensing regimes for online gambling on the effectiveness of harm minimisation and consumer protection efforts

Online gambling first emerged in Australia in the mid-1990s and since then the approach of Australian governments has been to legalise and regulate the online gambling market. The overarching legislation is the Commonwealth Interactive Gambling Act, enacted in 2001, which permits most forms of online

gambling in Australia, with the exception of online casinos, in-play sports betting, betting on the outcome of a lottery, and offshore online gambling (i.e. not licensed with an Australian state or territory regulator). States and Territories in Australia have also employed this legalised and regulated approach to online gambling, mainly through their systems for licensing and taxing online gambling operations.

Online gambling is a rapidly expanding and sophisticated market of products and services, operating within a complex regulatory environment. The Commonwealth government commissioned an independent review of online gambling in 2015 (the O'Farrell review) which found it was the fastest growing gambling mode in Australia, with over \$1.4 billion gambled online each year [Department of Social Services, 2015]. Importantly, the O'Farrell review reported that the rate of online problem gambling in Australia was three times higher than all other gambling modes.

Of concern is the risk of experiencing substantial harm in a relatively short period of time when gambling online because of the attributes of these products and the nature of the modality. For example, online gambling products have a high level of accessibility (i.e. not constrained by opening days/times or a user's location), have a highly immersive interface, facilitate uninterrupted gambling across multiple events/sports, and enable simplified and high speed (i.e. frictionless) spending [Australian Government, 2016]. Online gambling can also pose risks to consumers because of the way that online gambling operators can use personal data to directly target individual consumers with marketing and offers to bet [Australian Government, 2016]. Australian research shows that people who gamble online are significantly more likely to report experiencing any harm (34.0%) compared to non-online gamblers (15.6%), and that among people who report experiencing gambling harm, people who gamble online experience a greater number of harms compared to non-online gamblers [Hing et al., 2021].

We welcome the focus of this Inquiry specifically on online gambling; however, it is important to recognise that online gambling does not occur in isolation from other modes of gambling. Many people who participate in online gambling also participate in land-based modes (e.g. pokies, casino gambling), and the harms that participants and their affected others experience across different modes of gambling are likely to occur simultaneously [e.g., AGRC & AIHW 2021; Hing et al., 2021; Jenkinson et al., 2020; Tajin et al., 2022]. It is therefore appropriate that regulatory changes to the online gambling market take into account the potential spillover effects on the land-based gambling market (e.g. product substitution), and vice versa.

Below we highlight some suggested ways forward from our baseline study for the evaluation of the NCPF which have the potential to support improvements in regulatory and licensing regimes and strengthen the effectiveness of consumer protections for online wagering [Jenkinson 2019]. These include:

- Continuing to work towards harmonisation of minimum online wagering regulations across jurisdictions, while retaining the ability of jurisdictions to impose higher standards.
- Ensuring continuation of the NCPF Implementation Governance Committee to facilitate ongoing dialogue between jurisdictions, address and work to reconcile cross-border issues, and provide regular reports and updates on breaches of regulatory conditions.
- Continuing to work towards greater transparency and improved communication between regulators and wagering operators, particularly with regard to the roll-out of future measures and any amendments to the Framework that may affect providers' compliance requirements.
- Ensuring individual Framework measures continue to be evidence-based to prevent and reduce harm for people who wager online, with appropriate enhancements as the evidence base develops.

6. The appropriateness of the definition of ‘gambling service’ in the Interactive Gambling Act 2001 (Cth), and whether it should be amended to capture additional gambling-like activities such as simulated gambling in video games (e.g. ‘loot boxes’ and social casino games)

The online gambling environment is rapidly changing and expanding, reflecting innovations in product design and marketing, and advances in technology. The emergence in recent years of new online gambling (e.g., esports betting, fantasy sports betting, skin gambling) and gambling-like products in video games (e.g., social casino games, loot boxes) present many challenges for regulators, particularly the adequacy of legal definitions of gambling products and services. In the Definitions section of the Interactive Gambling Act 2001 (at 9 January 2019) it states:

gambling service means:

- (a) a service for the placing, making, receiving or acceptance of bets; or
- (b) a service the sole or dominant purpose of which is to introduce individuals who wish to make or place bets to individuals who are willing to receive or accept those bets; or
- (c) a service for the conduct of a lottery; or
- (d) a service for the supply of lottery tickets; or
- (e) a service for the conduct of a game, where:
 - (i) the game is played for money or anything else of value; and
 - (ii) the game is a game of chance or of mixed chance and skill; and
 - (iii) a customer of the service gives or agrees to give consideration to play or enter the game; or
- (f) a gambling service (within the ordinary meaning of that expression) that is not covered by any of the above paragraphs.

It appears the Interactive Gambling Act does not currently capture skin gambling (gambling on cosmetic modifications within video games) or simulated gambling in video games (e.g. loot boxes, social casino games), as these games are not played for money. However, an amendment to the Act could potentially define these activities as gambling, given that they are played for “anything else of value”, i.e. players earn virtual items that are valuable (e.g., virtual currency, cosmetic items). Such legislative changes are potentially important given our recent research found a direct link between engagement in free-to-play social casino video games during adolescence and gambling with money as a young adult [Sakata & Jenkinson, 2022]. There is also a growing body of research evidence showing an association between simulated gambling in video games (i.e. loot boxes, social casino games, etc) with harm such as problem gambling, internet gaming disorder, and other negative consequences [see Armstrong et al., 2018; Garea et al., 2021; Greer et al. 2022; Hing et al., 2020, 2021; Kolandai-Matchett & Abbott, 2021; Spicer et al., 2021; Yokomitsu et al., 2021].

7. The appropriateness of current gambling regulations in light of emerging technologies, payment options and products

While there are several emerging technologies, payment options and products that are of concern, we highlight the issues associated with credit card use in online gambling in Australia. Credit cards cannot be used within Australia to gamble in licensed gambling venues or casinos, and cash advances from ATMs in these venues are also prohibited; however, credit cards can be used for online gambling transactions. This represents an apparent gap in consumer protections for Australians who gamble online and puts Australia behind countries that have banned credit cards for online gambling. This includes New Zealand and Singapore, as well as the UK which has banned credit card use for online gambling. An interim evaluation of the UK credit card ban indicates that it is popular among consumers and has not resulted in harmful unintended consequences [Gambling Commission, 2021]. Further, bank data shows no spike in money

transfers in the three months after the ban, nor a spike in ATM withdrawals from credit cards around the time of the ban.

There is a strong link between credit card use and harm from online wagering in Australia [FCA, 2021]. In our research for the baseline evaluation of the NCPF, we found that many participants have experienced high rates of financial harm from online wagering such as reductions in available spending money (23.5%) and reductions in savings (21.5%), and increased credit card debt (7.7%) [Jenkinson et al., 2019]. Other Australian research shows that where credit cards are directly linked to betting accounts it enables frictionless (instantaneous) deposits and bets to be made, which can facilitate impulse betting and chasing losses [Hing et al., 2021].

Inquiries have been conducted into the use of credit cards for online gambling in Australia (e.g., by the Senate Environment and Communications Legislation Committee and Parliamentary Joint Committee on Corporations and Financial Services) but to date, there has been no regulatory ban. Despite this, some financial institutions have voluntarily implemented blocking systems that prevent online gambling with their issued credit cards. Others have added features enabling customers to pre-set credit card spending limits on online gambling [ABA, 2020]. The banks have done this by identifying credit card payments to businesses that hold the merchant category code for gambling (MCC 7995 – betting, including lottery tickets, casino chips, off track betting, and wagers at racetracks). However, blocks and pre-set spending limits on gambling with credit cards are not universal practices across the retail banking sector.

Regarding emerging technologies and payment options, we also draw the Committee's attention to emerging non-fiat currencies being utilised for online gambling, such as cryptocurrencies and blockchain technology including non-fungible tokens (NFTs) [Bastos, 2020; Gainsbury & Blaszczyski, 2017]. These types of currencies facilitate anonymous access to online gambling, allowing operators to bypass gambling regulations and consumers to engage in illegal offshore gambling. They also lack consumer protections which may result in underage gambling and associated harm. A recent study examined 40 cryptocurrency-based online operators regarding their safer gambling and consumer protection practices [Andrade et al., 2022]. The authors identified many consumer safety failures by cryptocurrency gambling operators: almost half of the operators did not hold valid licence; no operators verified the identity of new users upon registration or depositing funds; nearly 40% offered no safer gambling tools; and nearly two-thirds emailed promotional materials after being informed of a consumer's impaired gambling control.

8. The effectiveness of protections against illegal online gambling services, including casino style gambling such as online blackjack and slot machines

We note the work of the Australian Communications and Media Authority (ACMA) in blocking prohibited online gambling services to Australian consumers (such as online casinos, online slot machines and services that allow in-play online sports betting). Since late 2019, ACMA has blocked 619 illegal gambling and affiliate websites, and over 180 illegal services have withdrawn from Australia since 2017 when ACMA began enforcing new illegal offshore gambling laws [ACMA, 2022]. Website blocking is an important protection for Australian consumers against illegal online gambling services and ACMA should continue to undertake this important work.

Consumer education and awareness campaigns can potentially help support ACMA's role in the active monitoring and blocking of illegal online gambling services. This may include raising awareness about the risks of using illegal online gambling services and providing information about how consumers can lodge complaints. Education and awareness campaigns could be targeted at groups who are more likely to use illegal online gambling services.

9. The effectiveness of current gambling advertising restrictions on limiting children's exposure to gambling products and services (e.g. promotion of betting odds during live

sport broadcasts), including consideration of the impact of advertising through social media, sponsorship or branding from online licenced gambling operators

A recent report by ACMA found that while the latest broadcast and online gambling advertising restrictions may be achieving their intended objectives around live sport, the high number of complaints the Agency has received indicates that concerns remain among the general community that children are exposed to too much gambling advertising [ACMA, 2022]. A growing body of research evidence and community discourse highlights the need for stronger restrictions on gambling advertising, including partial or complete bans to reduce exposure to marketing and promotions and related harm.

Research in gambling and related areas of public health shows that the primary purpose of advertising is to recruit new consumers and, by way of achieving this, normalise consumption of the product and associate it with enjoyable and desirable activities (e.g. sport, travel, entertainment) [Livingstone et al., 2019]. Data from market research company Nielsen shows that in 2021, an average of 948 gambling ads were broadcast daily on free-to-air TV in Victoria [VGRF, 2022]. Notably, an average of 148 gambling ads were broadcast on free-to-air TV between 6:00pm to 8.30pm on weeknights, a time when children are often watching TV. The Nielsen data also reports on gambling advertising expenditure in Australia, and its dramatic growth. In 2021, the gambling industry spent \$287.2 million on advertising in Australia (excluding in-stadium advertising or sponsorships), an increase of \$15.9 million from 2020 [VGRF, 2022].

Exposure to advertising can normalise gambling participation, and potentially lead to early uptake (initiation) of online gambling and increased risk of harm [Bouguettaya et al., 2020]. The evidence indicates that underage gambling is not uncommon [e.g. VicHealth, 2020]. Our research on gambling among Australians during COVID-19 found that one in five survey participants (20%) first gambled when they were underage [Jenkinson et al., 2020]. These results were consistent with an earlier study of young men (aged 18-35 years) which found that 23% of participants first bet on sports when they were under 18 [Jenkinson et al., 2018]. Other research exploring attitudes, behaviour, and exposure to gambling among secondary students in Victoria (aged between 12-17 years) found that 18% had gambled online, most commonly at a student's home or friend's home [Freund, 2019].

Advertising and inducements to wager can facilitate impulse betting, and continued and intensified wagering, which increases the risk of gambling harms [Jenkinson et al., 2019]. Australian research that examined the impact of different approaches to wagering marketing, including inducements, on vulnerable adults (adults at-risk of, or experiencing, gambling problems) found that wagering advertisements and inducements: are prolific; encourage riskier betting; increase betting expenditure; increase the desire to bet amongst vulnerable gamblers; and have negative effects on all gambler risk groups [Hing et al., 2018a; 2018b; Rawat et al., 2020].

Findings from the open text fields in our 'Gambling during COVID-19' study revealed that the main change that participants wanted to see to the gambling environment post-COVID-19 was a reduction in gambling promotion and advertising – especially related to sports betting advertising [Jenkinson et al., 2020]. Participants believed that there was an oversaturation of ads and they were concerned about exposure among children and young people. This view was also expressed by participants in our recent National Gambling Reporting System (NGRS) study who described a range of emerging trends in gambling in Australia, including the availability of new gambling products and promotions and the normalisation and saturation of gambling advertisements [upcoming AGRC publication].

10. Any other related matters

Australia is well placed to adopt a public health approach to preventing and minimising gambling harm across the whole population. This approach is likely to be more effective than exclusively targeting the relatively small group of individuals classified as engaging in 'problem' gambling behaviours. This approach requires a policy focus on tackling the up-stream determinants (sources) of gambling harm (i.e. the supply

side) in addition to addressing down-stream individual behaviours and outcomes (i.e. the consumption side) [Marionneau et al., 2022]. This balanced approach to harm minimisation has proven successful in preventing and reducing harm across a diverse range of public health issues in Australia (e.g. tobacco control).

At present, there are gaps in Australia’s approach to minimising online gambling harm. We caution against relying on voluntary industry codes of conduct. Although some codes self-describe as ‘mandatory’, most lack transparency on matters such as monitoring and enforcement of compliance, how complaints about breaches are handled, and what consequences apply where a breach has been found to occur. Online gambling operators should be encouraged to demonstrate greater cooperation and support for harm minimisation, including implementing, monitoring, and enforcing evidenced-based consumer protection measures. Any requirements placed on people who gamble should have harm minimisation as the focus, and not be onerous for individuals, support persons, or gambling help services. Operators should give greater attention to preventing harm before it occurs, including the proactive detection of potentially risky and harmful gambling behaviours. To facilitate a strategic and systematic approach to this, operators should be mandated as a licensing requirement to make available de-identified data on gambling participation (e.g. time and money spent wagering online), losses accrued, other related signs of harm, pre-commitment, and self-exclusion to relevant government departments and approved researchers. Analysis of such data will provide insights into the risks associated with online gambling and better inform preventative measures and policy responses.

The National Consumer Protection Framework for online gambling is driving important work by the Commonwealth and the States/Territories towards implementing 10 significant policy measures. However, based on the research evidence, it is apparent that the suite of consumer protections implemented under the NCPF is just one aspect of a harm minimisation approach. Consideration could also be given to adopting a more comprehensive national strategy to minimise online gambling harm. The National Drug Strategy and its sub-strategies (e.g. tobacco, alcohol) provide a potentially useful template approach to follow [Department of Health & Aged Care, 2022].

To properly inform and guide a national strategy, Australia needs a systematic approach to monitoring and reporting on trends in online gambling participation and harm. The Australian Gambling Research Centre (AGRC) has commenced work on a National Gambling Reporting System (NGRS or ‘Gambling Trends Study’) to demonstrate the feasibility, utility and value of this monitoring and reporting system. Further investment in longitudinal research programs will also ensure we improve understanding of the trajectories of online gambling consumption and related harms.

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Acknowledgements

The Australian Gambling Research Centre (AGRC) was established under the Commonwealth Gambling Measures Act, 2012. Our gambling research program reflects the Act, embodies a national perspective, and has a strong family focus. We are part of the Australian Institute of Family Studies (AIFS) and would like to acknowledge our colleagues for their input into this submission.