Gaming micro-transactions for chance-based items Submission 13

Submission to Loot Box Senate Inquiry

I am a father of 3, aged . My children, like many Australian children, spend a significant time gaming playing games such as Fortnite, Roblox, Plants vs Zombies and many other games - some on PC, some on a touchscreen tablet. I'm also a keen gamer myself, playing mainly indie games purchased on the Steam platform, with a mix of other AAA titles.

My wife is not a gamer, and has no history with games before or after the lootbox craze. My children have frequently been able to convince her to pay for random digital prizes in the hope of getting something they want - and never getting it. My main concern is that this form of gambling and addiction is being normalised for my children, so that when they have their own source of income they won't think twice about spending it on these items. Lootboxes are a long-term sustainable model for companies, but the damage they can do to poor adults (well-known in literature to be the biggest spenders on lootboxes) is too much to ignore.

Furthermore (and the committee will probably be uninterested in this) as a gamer, lootboxes have replaced content in many games. Money is spent on making a game more profitable through lootboxes, rather than making the game itself enjoyable to play. This practice has damaged the content produced as well as the children it is marketed at.

Terms of reference:

(a) whether the purchase of chance-based items, combined with the ability to monetise these items on third-party platforms, constitutes a form of gambling;

To me there is no question of whether lootboxes are gambling. A common argument is that the digital goods received cannot be sold and thus have no value. My position is simple: A thing cannot be said to have no value if people are willing to spend money on it.

(b) the adequacy of the current consumer protection and regulatory framework for in-game micro transactions for chance-based items, including international comparisons, age requirements and disclosure of odds.

There is as far as I'm aware no regulation of lootboxes in Australia. I feel that games with lootboxes should be treated like other forms of gambling, that is restricted to people aged 18 and over. Like other forms of gambling such as lotto, their odds should be easily available so customers know what they are purchasing.