



## Protecting Australians from illegal online gambling services

Online gambling in Australia has grown with consumers moving away from traditional gambling products to betting online, using smartphones, tablets and other digital devices. Australia has one of the highest global rates of Internet and smartphone usage, paired with a long-standing cultural acceptance of gambling. These factors underscore the need for a strong and enforceable regulatory framework that protects Australians, including from illegal offshore gambling operators.

Most gambling matters, including regulation of retail gambling products, casinos and poker machines in clubs and hotels are matters for State and Territory governments. These governments also have a range of associated harm minimisation measures and problem gambling initiatives. At the Commonwealth Government level, the major regulatory tool for gambling is the *Interactive Gambling Act 2001* (IGA), which prohibits the provision and advertising of online gambling services to persons in Australia. Prohibited services include online casino-style games such as blackjack and roulette, online instant lotteries, poker machines and poker, and in play wagering on sporting events.

### Reforms to online gambling

The Australian Government commissioned a review of the impact of illegal offshore wagering on Australia (the Review). The Review was led by the Hon Barry O'Farrell and investigated the impacts of illegal offshore wagering, measures to mitigate its effects, and the efficacy of consumer protection controls in Australia.

The Review found that the amount of money being spent on offshore gambling websites could be as high as \$400 million annually. It found that offshore gambling has adverse effects on Australian wagering, hospitality and sporting industries, problem and at risk gamblers, consumers and government revenues.

Offshore gambling operators:

- do not pay Australian taxes, racing or sporting fees
- do not share information regarding suspicious betting activity with law enforcement or sporting bodies which risks the integrity of Australian sport
- offer gambling services prohibited under Australian law, and
- provide minimal to no harm minimisation and consumer protection controls.

Many consumers can also be unaware that the offshore websites they are using are not licensed in Australia and that there is limited legal recourse if they run into any difficulties obtaining winnings or deposits.

The Government released its response to the Review on 28 April 2016, supporting 18 of the 19 recommendations (14 in full, four in principle and one noted). The Government agreed to a series of measures to strengthen the enforcement of the IGA including greater powers to the Australian Communications and Media Authority (the ACMA).

## What will the reforms do?

The government passed the Interactive Gambling Amendment Bill 2016 on 9 August 2017 to implement the following reforms to the IGA:

- prohibit a person providing regulated interactive gambling services to Australians unless the person holds a licence under the law of an Australian state or territory
- introduce a civil penalty regime to be enforced by the ACMA, to complement the existing criminal penalty provisions, which will allow the ACMA to be responsible for the entire complaint handling process from receipt to enforcement
- prohibit 'click to call' in-play betting services
- prohibit wagering operators from providing lines of credit, either directly or via a third party, to persons present in Australia
- enable the ACMA to notify international regulators of information relating to prohibited or unlicensed regulated interactive gambling services
- establish a register of legal interactive gambling services to be published on the ACMA website to raise awareness amongst Australian consumers, and
- enable the ACMA to notify the Department of Immigration and Border Protection of the names of directors or principals of offending gambling services so they can be placed on the Movement Alert List and any travel to Australia can be disrupted.

The Government also agreed to establish a National Consumer Protection Framework for online wagering. The framework will minimise problem gambling by empowering individuals and introduce measures around voluntary self-exclusion, pre commitment and responsible gambling messaging. The framework will be developed in consultation with State and Territory governments.

Consultations with internet service and financial payment providers will also be held to discuss other disruptive measures that could be implemented to stop illegal gambling operators from providing online gambling services to Australians.

No country is able to completely eliminate the problem of offshore gambling, however international experience shows the most viable approach is to have a well regulated industry combined with strong enforcement actions to protect consumers.

## Find out more

Further information is available on the [Department of Communications and the Arts website](#).