



**ALLIANCE FOR
GAMBLING REFORM**

Review of Codes of Conduct Consultation

ALLIANCE FOR GAMBLING REFORM

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Contents

| | |
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| Introduction | 1 |
| Recommendations | 2 |
| Effectiveness of current Code | 4 |
| Purpose of Codes | 5 |
| Coverage of Direction | 5 |
| Signs of gambling harm | 7 |
| Minors | 8 |
| Wagering and bookmakers | 8 |
| Marketing, inducements, products and affordability | 9 |
| Advertising | 11 |
| Applications of the code | 11 |
| Bingo | 11 |
| Keno | 12 |
| Lotteries | 13 |

Introduction

The Alliance for Gambling Reform is a national peak body which represents a collaboration of organisations with a shared concern about the harmful aspects of gambling and its normalisation in Australian culture. We are a registered health promotion charity. The Alliance supports public policy and regulatory regimes that make Australia a safer, healthier, and more equitable society by reducing the level of gambling harm.

The Alliance has responded to the relevant questions set out in the Review of Victoria's Responsible Gambling Codes of Conduct consultation paper and provided recommendations in eleven key areas. The Alliance welcomes the Victorian Government's commitment to major reforms to poker machines and hopes that same commitment will be made to reforming the Codes of Conduct. The current Codes have not kept pace with technology and product advancements and this needs to change. We urge the government to take the strongest approach to the new Codes; these are set out in our recommendations and submission.

Importantly, children must be protected from an adult product which is known to cause harm. It is crucial the changes of the Codes recognise this and make significant changes to prevent minors being exposed to gambling products and advertising.

The Alliance for Gambling Reform met with council officers from its Leadership Councils to discuss the consultation paper on the landmark reforms and received significant feedback from councils on the issues under consideration. This feedback has been instrumental in developing the positions and recommendations put in this submission.

Our Leadership Councils comprise;

Brimbank, Darebin, Glen Eira, Greater Dandenong, Greater Shepparton, Frankston, Hobsons Bay, Hume, Kingston, Knox, Manningham, Maribyrnong, Maroondah, Melbourne, Merri-bek, Mitchell, Monash, Moonee Valley, Mornington Peninsula, Stonnington, Whittlesea, Wyndham and Yarra.

Recommendations

1. For each of the gambling products included in this review, separate Codes of Conduct need to be developed. That would expand this single Code into six distinct Codes: wagering and betting, bookmakers, bingo centre operators, keno, commercial raffles and public lotteries.
2. In each separate Code named above, strong consideration needs to be given to the differences between land based and online options for products, and the requirements under the Code may need to differ considerably based on the delivery method of the product. Codes also need to reflect the growing shift to digital and online options, and the potential for further online and digital advancements in the near future.
3. There must be stronger, unequivocal language regarding the requirements of each operator to implement all elements of the Codes, and the investigative and enforcement action that follows. For example, words such as 'may' need to be replaced with 'must'.
4. Existing elements of the Code need to be strengthened to reduce gambling harm in the following ways:
 - a. Self-exclusion is made available on all gambling products in Victoria (as BetStop currently operates for bookmakers nationally).
 - b. The process for self-exclusion is also available online and is developed to ensure accessibility for culturally and linguistically diverse communities.
 - c. Mandatory pre-commitment is applied to all gambling products except community raffles. Mandatory pre-commitment is binding and has evidenced- based, appropriate default and pre-set limits.
 - d. All loyalty schemes and inducements for all gambling products must be banned.
 - e. Restrictions on multis (including number of legs available in multis), bonus bets and early cash-outs including frequency and quantity.
5. The Ministerial Direction for all Codes should be underpinned by a clear purpose to prevent gambling harm and establishes that operators and licensees have a duty of care to prevent gambling harm.

6. Children must not be exposed to any gambling products.
The Codes must include:
 - f. A ban on advertising of all gambling types, replicating the recommendations made in the Federal inquiry into online gambling and those experiencing gambling harm.
 - g. A ban of all static gambling advertising including in and on stadiums, posters, billboards, on football jerseys or any place where minors could reasonably be expected to observe it.
 - h. Minors should be banned from entering bingo centres and any parts of a venue that operates Keno, bingo or in sports bars.
7. The Codes should include requirements for increased and more transparent reporting of data relating to the use of all products. This data collection would support research to identify and understand harm on products captured in the Codes. Currently, both data and research are limited.
8. Codes must clearly establish how the requirements set out within will be overseen and enforced. Types of interventions must be set out in the Code to ensure compliance by all operators, and where non-compliance is found, harsh penalties need to apply. These interventions must be reviewed and evaluated regularly (at least every three years) to ensure they are keeping pace with community expectations.
9. More needs to be done to ensure that the general public, as well as users of gambling products are aware of the Codes, and the rights that exist under those codes. Any complaints need to be directed to the regulator, rather than the operator or licensee. This could be achieved by measures such as requiring all providers to send information to members about the codes and complaints process annually and providing the Codes in plain English (and in other languages if requested) in a prominent place in venues or online.
10. Given the growing development of digitally based gambling products and expanding methods of marketing, Codes should be reviewed every three years to ensure regulations are keeping pace with advancements and to prevent loopholes from developing. This vigilant approach is critical to reduce future harm from gambling.
11. Each model Codes of Conduct developed by various industry representatives must be approved by the regulator and updated every three years.

Effectiveness of current Code

Questions one to four

The current Code and Ministerial Direction is not fit-for-purpose for the number of different providers and products it serves. The gambling providers and products have changed significantly since 2018 (such as Keno, which is now available online in Victoria) and this has increased opportunities for harm from the products. A broad-brush approach is no longer suitable when products and providers are increasingly seeking to develop both digital products and carefully targeted marketing that is intended to grow their revenue.

The Code should be different for each gambling provider and have different carve outs for land-based and online forms of the product. When speaking to the effectiveness of the Code to support and minimise harm, there is a lack of evidence to suggest this Code is effective in that regard.

Online wagering has seen a steep increase in expenditure during and following the Covid-19 pandemic as well as an increase in the advertising¹. Anecdotally we are aware that losses to bingo and Keno are increasing. The Alliance has heard from the community and local governments that harms from these products are a growing concern, in particular, PETs used for bingo, the frequency of online Keno, and the accessibility and advertising of online gambling.

Some of the elements of the current Code are useful and can be improved (such as self-exclusion, staff training and pre-commitment) but when it comes to best practice for preventing harm from gambling, the Codes must be both strengthened and separated.

¹ <https://responsiblegambling.vic.gov.au/about-us/news-and-media/948-gambling-ads-daily-on-victorian-free-to-air-tv-in-2021/>

Purpose of Codes

Question five and six

It is essential that the Direction sets a more detailed purpose for the Code including a duty of care to prevent harm. South Australia has adopted a strong approach in its purpose and Victoria could replicate a number of aspects by including the following in the purpose:

- Clearly outline that the purpose and intention of the Code is to prevent and reduce the prevalence of gambling harm.
- Highlight that the conduct required by licensees and operators of gambling under the Codes is consistent with the expectations and aspirations of the public (expanding on the VGCCC's commitment to hold gambling providers to account when they do not comply with the spirit, not just the letter, of the law).
- Clearly outline various harms gambling can cause to individuals, families and communities.

The Alliance believes the purpose should focus solely on preventing gambling harm and ensure there is a legal requirement for operators to have a duty of care for those who are exposed to their products.

Coverage of Direction

Question seven to nine

The Alliance strongly recommends separate Codes for each type of gambling. Further, within those separate Codes there needs to be different sections for online and land-based models of products when applicable. Each product is unique and comes with distinct challenges and opportunities to prevent gambling harm. Examples of some of those differing opportunities include:

- Following South Australia's lead on advertising and ensure gambling advertisements with inducements are banned, as well as clearly outlining time periods in which gambling ads should be banned (when children are most likely to be watching television or listening to the radio).
- There are clear issues with children being exposed to gambling via onsite bingo, sports bars, and in-venue Keno (while children are not allowed to gamble, they are allowed in areas where these products are used).
- There needs to be sections in each Code to address technological developments to ensure harm can be prevented. This should include PETs in Bingo centres and the introduction of online Keno.

- As already mentioned, there are important differences that will need to be distinguished with each individual code of either land based or online products. For example, for the wagering and betting licence Code there needs to be different interactions with customers when there are trends in their gambling that appear to be associated with gambling harm. Although this currently exists in the Tabcorp individual Code, there soon may be one or more new wagering and betting licences awarded in Victoria, so it is crucial that it is set out in the Ministerial Direction to future proof this specific code.

Mandatory pre-commitment should be included for all Codes to replicate the program soon to be introduced in the casino and for poker machines in pubs and clubs in Victoria. The gold standard for reducing gambling harm is a universal pre-commitment system²². This should be the case on all gambling products as there is a risk of harm for all, especially with the rapid technological developments (like PETs in bingo and online Keno) occurring. Mandatory pre-commitment will help future proof the Code (and the community from harm) as different technologies are developed across gambling types.

There should be streamlined self-exclusion for all gambling products. BetStop, the national self-exclusion register for online wagering was rolled out in August this year and has simplified the process for users to self-exclude. Unfortunately, both Keno and lotteries are exempt from this scheme. The respective Codes should support all online gambling types to be included in BetStop.

Although self-exclusion is in the Code for bingo, it's very unclear what this actually looks like, if it is monitored and how it is regulated. This needs to be clearly stipulated in the Code for all gambling products available in person and have the option to be linked so that a person can have the ability to exclude from all gambling products with ease.

²²<https://responsiblegambling.vic.gov.au/about-us/news-and-media/the-ins-and-outs-of-cashless-gambling/>

Signs of gambling harm

Question ten to fourteen

Online gambling harm

There is limited research on how to identify signs of harm when gambling online. Sportsbet shared information on their 'real time intervention' which is determined by increase in spend or a significant outlier to normal behaviour³. They state that any customers who have triggered an account review by a 'red flag' are followed up with an intervention over the phone within 30-60 minutes, and if a representative can't get in touch with them, their account is suspended. In theory these seem like good practices, however, these kinds of interventions need to be supported by a Ministerial Guideline, and regulatory monitoring rather than a voluntary practice by the licensee.

This would also create an opportunity to undertake independent research on the efficacy of these types of interventions. It is important that we do not rely on the gambling industry to regulate their own algorithms to identify gambling harm. It is clearly a conflict of interest for gambling companies when profits are put at risk with the need to intervene every time someone is displaying signs of harm. This underscores the need for an independently monitored and regulated system. We do believe there could be good learnings from existing processes (like Sportsbet, as mentioned earlier) however it is critical that they are independently researched, reviewed and evaluated to ensure optimal effectiveness in the public interest rather than the industry.

There should be a process in place for all types of online gambling including Keno, raffles and lotteries.

Land based gambling harm

Although there is still much more research that needs to be done to fully understand how to identify gambling harm in person and in venues, there is some research that is helpful in understanding how staff may observe people experiencing harm⁴. The Alliance understands these are already used in training staff to observe signs of gambling harm and identify when to intervene.

³<https://new.parliament.vic.gov.au/4a7d5d/contentassets/0ba6e9bec7f14da993c6e5092a203afd/sportsbet--gon-response-paec-gambling-liquor-inquiry.pdf>

⁴ Delfabbro, P, Thomas, A, Armstrong, A 2017, Gender Differences in the Presentation of Observable Risk Indicators of Problem Gambling, Journal of Gambling Studies
<https://link.springer.com/article/10.1007/s10899-017-9691-5>

The 2023 Ministerial Direction which outlines the casino operator Code of Conduct lists a large number of observable signs of gambling harm, which could be applied to other types of gambling.

When signs of gambling harm are detected, there should be meaningful interaction that leads to the customer:

- getting support from Gamblers Help (and verify this has been taken up)
- setting an appropriate pre-commitment limit, or
- having their account temporarily suspended.

There should be a process in place to notify other gambling providers that the customer is currently seeking support and needs to be carefully monitored. It is simply too easy for a customer to be blocked from one gambling provider and then move to one of the 100+ others. It is important that a system is in place that links providers.

Minors

Question eighteen

All Codes need to explicitly highlight that minors must not be exposed to gambling which is an adult product. Just as it is illegal for a minor to be in a poker machine room, it must also be illegal for minors to be in a room where Keno, betting and wagering or bingo are taking place. There should also be restrictions on raffles.

The Alliance would be curious to understand how minors may be present during gambling that takes place in online forums as stipulated in the discussion paper. Each individual code must make it very clear that minors must not be exposed to gambling. This also relates to advertisement restrictions (like the South Australian Code of Practice restriction on hours).

Wagering and bookmakers

Question nineteen and twenty

Mandatory pre-commitment that has both time and loss limits and is binding is a strong harm prevention method that should be employed to discourage people from engaging in extended and intensive gambling. The Alliance also urges banning incentives like loyalty schemes or inducements that encourage people to gamble more. Bingo centres, for example, have membership points schemes that are seemingly unregulated and provide little information available about how they operate and engage with members.

The evidence available to understand how to identify when someone is experiencing harm from gambling online is limited, and it is an area of research that needs immediate investment.

However, it would be reasonable to suggest that someone who has significantly changed their patterns of gambling to be more frequent, intense or gambling more money should be directly engaged with.

If people are being flagged as showing signs of gambling harm, there needs to be consistent and regulated interventions in place by Ministerial Direction. For wagering and bookmakers this could include requiring people to set reasonable pre-commitment limits, seek a session with a Gamblers Help counsellor and, if signs of significant harm are being shown, putting a hold on an account. Steps like these would have a significant impact on reducing the losses of people experiencing high levels of harm. These interventions would need to be reviewed and evaluated regularly (at least every three years) to ensure best practice is being implemented and followed.

Marketing, inducements, products and affordability

Question twenty-one to twenty-four

The Alliance supports the Federal Standing Committee on Social Policy and Legal Affairs Inquiry into online gambling and the impact on those experiencing gambling harm recommendation to completely ban inducements by wagering operators and further, the Alliance believes that ban should be extended to all betting operators and bookmakers, including lotteries, keno and raffles. Direct marketing must be opt-in and must not offer any inducements or incentives of any kind.

When it comes to minors, there must be much stronger protections that limit their exposure to gambling products. This must include:

- Ceasing static advertising of gambling on all billboards, public transport hubs and all other public advertising, including sports uniforms and shop windows and advertising posters. This would also include advertising the ability to top up or open accounts at any store.
- Banning all gambling sponsorship advertising material on sporting grounds, uniforms and sports related materials like sports club newsletters that go to families or children (this has been successfully achieved at Monash Council through its policy which prevents any promotion of gambling products or venues⁵).

⁵ monash-public-health-approach-to-gambling-harm-policy-2022-final.pdf Clause 3.4

- A ban on all gambling ads including television, online (especially social media), radio and print.
- As highlighted earlier in the submission, a ban on minors being allowed in bingo centres, areas where Keno and betting and wagering is available and restrictions around raffles. Possible restrictions around raffles could be the presence of minors when the total prize pool is over \$500.

Multi-bets, bonus bets and early cash-out incentives are linked with increased gambling losses and encourage riskier betting and therefore need to be restricted to prevent harm⁶. Further, there is research that shows those who use 'custom sports bets' (also known as multis or 'build a bet') are more likely to be considered 'problem gamblers' on the Problem Gambling Severity Index (16% compared to 6.7% of those who do not use custom sports bets)⁷.

Sportsbet and the AFL has also been found to be encouraging gamblers to pay for same game multi bets that are very likely to be unsuccessful⁸. There needs to be restrictions on how these products can be promoted and offered to people and importantly be monitored to ensure they are not encouraging riskier spending patterns.

Restrictions must include capping the frequency and quantity of incentives like multis. After the first year of restrictions there must be an evaluation into its effectiveness of preventing harm and tweaked as necessary. There is limited research available on methods which could be used to prevent harm from these types of online gambling incentives so constant monitoring is crucial.

⁶ Hing, N, Russell, A, Rockloff, M, Browne, M, Langham, E, Li, E, Lole, L, Greer, N, Thomas, A, Jenkinson, R, Rawat, V & Thorne, H 2018, Effects of wagering marketing on vulnerable adults, Victorian Responsible Gambling Foundation, Melbourne.

⁷ Newall, P, Cassidy, R, Walasek, L, Ludvig, E, Meyer, C 2021, Who uses custom sports betting products, Addiction Research and Theory, <https://research.gold.ac.uk/id/eprint/29307/1/Newall%20et%20al%20who%20uses%20custom%20sports%20betting%20products.pdf>

⁸ <https://www.theguardian.com/australia-news/2023/sep/21/afl-criticised-for-promoting-series-of-bets-that-have-85-loss-rate-for-gamblers>

Advertising

Question twenty-five and twenty-six

There is a dire need for greater restrictions on advertising of gambling products to protect young people and children, reduce normalisation of gambling and reduce exposure for those who may be experiencing harm. As stated in the responses above, the Alliance supports the Federal Inquiry into online gambling and the impact on those experiencing harm which recommends a comprehensive ban on gambling advertisements for wagering providers. The DJCS should also include the recommendations above prohibiting all static and public advertising of all gambling products.

At a minimum, Victoria should follow South Australia's lead and ban gambling ads with inducements and ban gambling ads during hours that children are more likely to be exposed (early mornings and school drop off and pick up and early evening).

Applications of the code

Question twenty-seven to twenty-nine

As highlighted in the consultation paper, the application of the Code requirements is limited due to the current Codes being relevant only for those wagering operators and bookmakers licenced in Victoria. Many of Australia's largest bookmakers are licenced in the Northern Territory so it is critical that the Minister leverages the powers available through a Direction to ensure all bookmakers and wagering providers operating in Victoria are subject to the same harm prevention requirements. Our recommendations outline the harm prevention approaches that must be included in a Direction for all Australian wagering providers offering services in Victoria.

Bingo

Question thirty to thirty-four

We don't have data available to determine how many bingo centres are using PETs, nor to what extent players are using them. This highlights a need for regulation that would give oversight to this - perhaps all PETs needing to be registered or licensed.

Anecdotally, we are aware of up to 200 games being played using PETs, though from a capability perspective, the number of games that could be played on a PET is currently unlimited.

To reduce what has been a growing harm from bingo after the introduction of PETs, this capacity needs to be restricted by regulation. More games mean higher jackpots, which increases the likelihood people will chase wins by increasing the number of tickets or sessions they play.

We do not have evidence to understand whether players are using both manual and automated tickets simultaneously, but this is certainly something that could be achieved based on the current regulations. A person could reasonably play no more than six manual tickets at any time, so it makes no sense to have more than six manual tickets available for purchase at once.

For that reason, we believe that automated and manual tickets should be limited to six games each, or a total of six games using a combination of methods. This prevents any disadvantage to those who prefer playing using manual tickets only (as less tickets mean less chances).

Keno

Question thirty-five to thirty-eight

There are some strong elements to the harm minimisation Direction set for Keno licenced in Victoria and all Victorians using Keno (especially those Keno services licensed interstate) which must be given the same and best practice protections. A strength of the harm minimisation Direction is in not allowing inducements to open an account or refer another person to open an account, however, it could be strengthened by banning any inducements to gamble (for example deposit matches or free bets). Another strength is the requirement for all users to submit a deposit limit. Both of these should be the case for all gambling providers.

A measure that should be included in the harm minimisation Direction for Keno is that all online Keno providers should be connected with BetStop, the national self-exclusion scheme for wagering providers and should include a ban on the use of credit like other wagering providers. As an online gambling product, Keno should be required to mirror the requirements of wagering providers that provide an online gambling product in Victoria. Lotteries should also be required to follow the same laws.

Finally, children should not be exposed to Keno in person at venues. It should only be conducted in areas of venues that children are not allowed to access such as a poker machine room or sports bars.

Lotteries

Questions forty-one to forty-two

As highlighted above, the Victorian Government should implement the same requirements for lotteries that are conducted online that other online gambling providers (such as bookmakers and wagering providers) must abide by. Therefore, lotteries should be included in BetStop and in the national legislative credit ban that is soon to be introduced.

The Alliance also recommends lotteries advertising should also be banned in line with all other gambling products. This would need to include the advertisement of products in chemists, news agencies, and any other type of store.



**ALLIANCE FOR
GAMBLING REFORM**

Our Community House,
552 Victoria St, Wurundjeri Country,
North Melbourne 3051, VIC
p. (03) 9999 7372 | f. (03) 9347 9933
e. info@agr.org.au

For all media enquiries, please contact
0491 209 436 | media@agr.org.au

