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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. We prioritise policies and actively campaign for changes that prevent gambling harm and minimise its consequences.

Our policies are developed by drawing on the lived experience of people who have been harmed by gambling, in addition to our understanding of public health policy evidence and research. We believe lived experience is critical to developing informed understanding of problems and possible solutions.

Background

Australians lose over \$25 billion on legal forms of gambling each year, representing the largest per capita losses globally¹. Online gambling has grown substantially over the past decade and the related harms are of increasing concern². Australians also lose the most money to online gambling per capita, more than 20% more than any other country in the world³.

Online gambling has evolved so swiftly that research, policy, regulation, and governments have not been able to keep up to prevent the exponential growth in gambling harm. The lack of regulatory measures to prevent these developments is harming not only adults, but more frequently children.

The Alliance welcomes this Bill which will prohibit the use of credit cards, credit related products and digital currency as payment methods for interactive wagering services.

¹ QGSO (Queensland Government Statistician's Office), Queensland Treasury, 2022

<https://www.qgso.qld.gov.au/issues/2646/australian-gambling-statistics-37th-edn-1994-95-2019-20.pdf>

² Australian Gambling Research Centre (AGRC), Gambling in Australia, Canberra: Australian Institute of Health and Welfare (AIHW), 2020 <https://www.aihw.gov.au/reports/australias-welfare/gambling>

³ Alliance for Gambling Reform, Supplementary submission to the Inquiry into Online Gambling and its impact on those experiencing gambling harm, 2023

<https://www.aph.gov.au/DocumentStore.ashx?id=8005f046-fd83-40b9-b0aa-de6009cc2f65&subId=725298>

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We also welcome the inclusion of fines of up to \$234K but stress that it will be important to ensure that they are enforced. These fines must be regularly reviewed to ensure that they are having a suitable impact on preventing bookmakers from breaching legislation.

The newly introduced \$100 million fines for casinos breaching the law in several states is a good example of significant fines deterring wrongdoing rather than them being 'the cost of business.'

The Lotteries should not be exempted from the Bill.

Research shows that 30% of Australian adults gamble on lotteries at least once a month⁴ and 64% have gambled on lotteries in the past year⁵. A recent study also found that almost one-third of lotteries-only gamblers were at some level of gambling-related risk and that younger people, males, smokers, and more frequent e-cigarette users were more likely to report gambling harm from lottery products⁶. This evidence suggests that lotteries are not as substantially different to other gambling products and are not harmless as was once thought. Therefore, it is crucial that lotteries are considered in this legislation as an unintended consequence of this bill may be that we see a steep increase of gambling harm on lotteries due to the use of credit being available both online and in person unlike all other gambling products in Australia.

The Alliance is becoming increasingly concerned about Lottery and Keno products as they move online. Many of the products are also exempt from BetStop, the National Self Exclusion Register, including the Lott and Keno. This means people that have signed up to the Register can still gamble online on these products and receive promotions and marketing from the companies encouraging them to gamble. On the Lott app you can easily spend \$10,000 on tickets immediately, and Keno is a maximum of \$1,000 every 3 minutes. Significant losses can occur from these products and continuing the availability of using credit to gamble but banning other forms of gambling like wagering means there is a possibility of an increase in people looking to gamble with credit (or not being barred due to BetStop).

⁴ Armstrong, Andrew, and Megan Carroll. *Gambling activity in Australia: Findings from wave 15 of the Household, Income and Labour Dynamics in Australia (HILDA) survey*. Australian Gambling Research Centre, 2017.

⁵ Australian Institute of Health and Welfare, *Gambling in Australia*, 2023
<https://www.aihw.gov.au/reports/australias-welfare/gambling>

⁶ Booth, Leon, et al. "Gambling-related harms attributable to Lotteries Products." *Addictive Behaviours*, vol. 109, 2020, p. 106472, <https://doi.org/10.1016/j.addbeh.2020.106472>.

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The Alliance acknowledges that some lottery providers (particularly not-for-profit lotteries) such as Home Lotteries that support hospitals, research and other worthy causes will be impacted by a complete credit ban.

However, the principle that people should not be able to gamble with money they do not have should take precedent. We know that people experiencing problem gambling are four times more likely to utilise credit to gamble than those who are low risk⁷. People at-risk of experiencing harm should not have a protection taken away from them even if that money were to be going to a charitable cause.

It is important to emphasise that although lottery and keno products have been 'lower risk' in the past, the technological developments of apps has drastically changed the environment. There has not been enough investment in up-to-date research that explores how these technological developments impact the risk of harm from these products.

The Alliance urges the government to implement a total ban of the use of credit, including lotteries. At a minimum Australia should follow the UK's lead and ban the use of credit for lotteries online but allow in-person purchases to continue⁸.

⁷ Thomson, L *Gambling with Credit*, University of Newcastle,
https://www.newcastle.edu.au/data/assets/pdf_file/0008/935252/Lindsay-Thomson-Gambling-with-Credit.pdf

⁸ UK Gambling Commission, Gambling on credit cards to be banned from April 2020, 2020;
<https://www.gamblingcommission.gov.uk/news/article/gambling-on-credit-cards-to-be-banned-from-april-2020>