



Director
Broadcasting and Gambling Regulation Section
Media Industry and Sustainability Branch
Department of Infrastructure, Transport, Regional Development, Communications & the Arts
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(via email: Online.Gambling@communications.gov.au)

Submission to the Review into the Regulation of Online Keno and Foreign Matched Lotteries

Dear Director

Responsible Wagering Australia (**RWA**) is the peak body representing the Australian licensed online wagering industry. Our members include Australia's major online wagering service providers (**WSPs**): bet365, Betfair, PointsBet, Sportsbet, and Unibet. RWA advocates for sensible and evidence-based regulations that promote consumer protections which do not result in the unintended consequence of driving consumers to illegal offshore providers. Our members are committed to maintaining high standards of safer gambling and other consumer protections.

RWA's positions on issues raised in the issues paper are below, with supporting details set out in this submission:

- RWA **supports** the application of the credit card and digital payment ban to all gambling products, including online keno and foreign-matched lotteries. Applying the strong harm minimisation measures already in place for online wagering to these other forms of gambling would not only reduce the potential for gambling-related harm but also ensure a consistent regulatory environment across the broader gambling industry.
- RWA **strongly encourages** the Government to apply consistent harm minimisation measures across *all gambling products*, including online keno, lotteries, and terrestrial forms of gambling. Consistency is crucial for effectively reducing gambling harm and preventing at-risk individuals from shifting their activities to less regulated alternatives. Consumer protection measures such as BetStop (the National Self-Exclusion Register (**NSER**)), zero-day customer verification, and voluntary pre-commitment could easily be extended to online keno and lottery products, where a substantial proportion of national gambling activity occurs. Further details on these and other recommended measures are provided in this submission.

Impacts of Online Keno and Lotteries

The latest Australian Gambling Statistics¹ show that Australians lost more than \$3.2 billion on lotteries and keno in 2020-21. With the introduction of online keno in Victoria, keno losses increased more than 400 per cent from 2021-22 to 2022-23.

Further to this, a recent ANU study² states that the most popular gambling activity in 2024 was buying lottery tickets – with 46.8 per cent of Australia’s adult population buying lottery tickets in the reporting period. This study also highlights the high prevalence of online lottery and keno participation, underscoring the need for comprehensive regulatory measures in this sector. According to the report, only 14.7 per cent of the Australian population participate in sports betting and racing betting. However, lotteries significantly contribute to the perception of online gambling as problematic with 45 per cent of lottery activity occurring online, yet the same strong harm minimisation measures do not apply.

Keno and lotteries are also exempt from BetStop, meaning that Australians who have self-excluded from online wagering are still able to gamble thousands of dollars online at a time through lotteries or \$1,000 per entry every 3 minutes on Keno – and these transactions are able to be done using a credit card. This is despite research³ that almost a third of consumers who only used lottery products were at-risk gamblers, and that people from lower socioeconomic backgrounds spend a greater proportion of their income on lotteries products.

Application of the credit card and digital payment ban to other gambling products

RWA supports the application of the credit card and digital payment ban to all gambling products, including online keno and lotteries.

Extending the credit card and digital payment ban to these products is a logical step in safeguarding consumers across the board and aligns with the Government’s commitment to harm minimisation. This would close regulatory gaps, ensuring that all sectors are subject to the same strong consumer protections and reinforcing the effectiveness of the Government’s harm minimisation efforts. However, without extending such protections to keno and lottery products—where opportunities to gamble significant sums are abundant and these products represent the highest proportion of gambling activity nationally—these measures fall short of their potential impact. Research⁴ underscores that individuals who engage in lotteries and keno are not immune to gambling harm, especially given the high participation rates and the accessibility of these products, and fewer consumer protections in place.

¹ Queensland Government Statistician’s Office, Queensland Treasury, Australian Gambling Statistics, 38th edition, 1995–96 to 2020–21.

² July 2024, Gambling participation in Australia 2024: Trends over time, and profiles associated with online gambling, Suomi et al.

³ 2020, Booth, Thomas et al, Gambling-related harms attributable to lotteries products

⁴ 2020, Booth, Thomas et al, Gambling-related harms attributable to lotteries products

Consistent application of regulatory and harm minimisation measures

In addition to extending the credit card ban to other gambling products, RWA and its members advocate for a unified and consistent regulatory framework that applies harm minimisation measures across *all gambling products*, including keno and lotteries. This approach is crucial to avoid regulatory gaps that could be exploited by operators, ensuring that consumer protections are uniformly applied and effective and reducing the likelihood of those at risk of harm moving from one form of gambling to other less regulated and more dangerous markets.

A consistent regulatory framework would also support the Government's harm minimisation policy objectives by providing clear guidelines for operators. This will ensure that all forms of gambling, whether online or land-based, are subject to the same rigorous standards of consumer protection, safeguarding the wellbeing of Australian consumers.

Specific Harm Minimisation Measures

In addition to a more consistent application of the prohibition of credit cards and digital payments for online gambling products, RWA encourages the Government to consider the following harm minimisation measures for online keno and lottery products. These measures are drawn from the National Consumer Protection Framework (NCPF) for Online Wagering, developed jointly between the Commonwealth, state and territory governments and launched in 2017. The NCPF was designed with the aim of minimising the harms of online wagering to Australian consumers and comprises 10 consumer protection measures. As of 2024, all are now in force across all Commonwealth, state and territory jurisdictions.

Addition of Products to the National Self-Exclusion Register (BetStop):

Expanding BetStop to include other forms of gambling, such as online keno and lotteries, would offer consumers more comprehensive control over their gambling activities. BetStop, launched in 2023, allows individuals to self-exclude from all online wagering services in Australia, providing an effective tool for those seeking to manage their gambling. However, without extending this to include other online gambling products, such as keno and lotteries, a significant gap remains. Given the popularity and financial scale of these products, including them in BetStop would ensure a more consistent and effective self-exclusion system across all gambling platforms, enhancing protection for those who choose to self-exclude.

Zero-day Customer Verification:

Online wagering requires identity verification before any gambling service can be offered, ensuring minors are not permitted to bet and compliance with stringent Anti-Money Laundering and Counter-Terrorism Financing (**AML/CTF**) protocols. However, verification periods for online lotteries and keno vary significantly across states, with some allowing up to 90 days for verification.

To promote consistency and enhance consumer protection across the industry, a standardised pre-verification process should be implemented for all gambling products, including online keno and lotteries. This would ensure uniform adherence to AML/CTF obligations and provide consistent safeguards against minors gambling across all platforms.

Ban on Inducements to Open an Account:

The ban on offering inducements, such as bonuses or free bets, to open a gambling account is intended to create a fair and responsible wagering environment. In the online wagering sector, this measure has been implemented to ensure that customer acquisition strategies remain transparent and focused on providing value rather than relying on incentives. However, this ban is not applied uniformly across all gambling products. Online keno and lotteries, which are highly popular in Australia, are currently outside the scope of this regulation. To ensure a level playing field across the industry, we encourage the Government to consider extending this measure to all gambling products.

Simple Account Closure:

Ensuring a simple and accessible account closure process is another valuable consumer protection measure designed to help consumers manage their gambling responsibly. In the online wagering sector, the ability to quickly close an account is a safeguard which allows individuals to easily step away from gambling when they choose. This should extend across all gambling platforms, including online keno and lotteries, to support consumers to take control of their gambling habits, reducing the potential for harm.

Voluntary Pre-commitment Scheme:

A voluntary pre-commitment scheme is a valuable tool for promoting responsible gambling by allowing consumers to set their own spending limits. This is another consumer protection measure that could easily be applied to other gambling products. While some lottery operators do offer the option to set spend limits, this is not applied uniformly across all lottery operators.

Activity Statements:

Monthly activity statements help consumers to track their gambling and make informed decisions. These statements detail amounts wagered, won, and lost, giving consumers a clear view of their gambling activity. To ensure consistent consumer protection, this practice should extend to all gambling products, including online keno and lotteries.

Consistent Gambling Messaging (CGM):

While responsible gambling messaging tag lines on advertising has been a key part of state-based harm minimisation strategies for some years, the advent of the NCPF has resulted in this messaging now being consistent across all Australian jurisdictions. To maximise its impact, this messaging should be uniformly applied across all gambling platforms, including online keno and lotteries.

By extending CGM to all gambling products, the Government can reinforce responsible gambling behaviour across a wider audience, ensuring that the impact of these messages is as broad as possible.

Staff Training:

Staff employed by WSPs in Australia are trained to recognise early warning signs of gambling harm and provide appropriate support to at-risk customers. RWA members also have dedicated Responsible Gambling teams that proactively engage with consumers when warning signs are identified. With high participation and significant wagering in online keno and lottery products, it stands to reason that operators in these areas should be required to adopt the same rigorous training programs. Extending these requirements across all gambling products will ensure that every consumer interaction benefits from a strong understanding of gambling harm and a commitment to reducing it, thereby enhancing the safety and integrity of the entire gambling environment.

Conclusion

RWA supports the application of consistent regulatory and harm minimisation measures across all gambling products, including online keno and lotteries. By extending the credit card ban and implementing additional measures such as zero-day customer verification and a voluntary pre-commitment scheme, the Government can significantly enhance consumer protections and reduce gambling harm. RWA remains committed to working with the Government to achieve these objectives while ensuring a level playing field for all operators.

We appreciate the opportunity to contribute to this inquiry and look forward to working with the Department of Infrastructure, Transport, Regional Development, Communications, and the Arts to develop effective and balanced regulations that safeguard Australian consumers while supporting a sustainable gambling industry. Should you require any further information about these issues, please contact Mr Mike Websdane, Head of Strategy and Operations, at mike.websdane@responsiblewagering.com.au.

Yours sincerely,



Kai Cantwell
Chief Executive Officer

26 August 2024