



Committee Secretary
Joint Select Committee on Social Media and Australian Society
PO Box 6100
Parliament House
CANBERRA ACT 2600
(via email: socialmedia.joint@aph.gov.au)

Submission to the Joint Select Committee on Social Media and Australian Society

Dear Committee Secretariat

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.

The purpose of our brief submission to the Joint Select Committee on Social Media and Australian Society (**the Committee**) is to succinctly outline the statutory obligations and embedded practice of the online wagering industry in ensuring appropriate customer age and identity verification. RWA is sharing this information with the Committee to help inform the Committee's consideration of age verification for online platforms.

The online wagering industry operates in a heavily regulated environment, which requires (among other things) that customers cannot access our services without first registering an account. The WSP must verify the identity and age of their customers *before* they can open (from September 2024) and transact on their account, using trusted, independent sources. This process may involve checking government-issued identification documents, such as passports or drivers' licenses, against national databases to ensure that minors (or otherwise excluded individuals) are not able to access our products.

WSPs also conduct ongoing monitoring of customer accounts to detect any suspicious activities. Regular audits are conducted to ensure that Know Your Customer (**KYC**) processes remain robust and effective. The key statutory age verification requirements are outlined in **Attachment A** to this letter.

As the obligation to restrict access to our services is both a statutory requirement and a requirement of our social licence to operate, WSPs have extensive experience in effective customer identity and age verification – including embedded and robust compliance processes and controls.

To that end, many WSPs employ sophisticated real-time verification systems that cross-check customer information instantly. When real time verification cannot be completed at the time of sign-up, wagering cannot commence. This not only ensures compliance but also enhances the customer experience by streamlining the verification process. As a result of these measures, a minor is not able to open and operate an account with an Australian licensed online WSP (save for instances of fraud).

RWA and its members are absolutely committed to ensuring only verified individuals who are over the age of 18 are able to access online gambling services. The robust age verification compliance processes embedded within WSP business practices, including mandatory verification processes to open an account that enables any wagering to occur, demonstrate our commitment to meet and exceed the regulatory and legislative requirements placed on industry.

While the online wagering industry serves as a strong example of customer and age verification working successfully in practice, this approach may not be suitable for all environments in scope of the Committee's Terms of Reference.

We appreciate the opportunity to contribute to this inquiry. 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

5 July 2024

Key Legal and Regulatory Requirements for Age Verification in Australia

Various State and Commonwealth legislative and regulatory instruments provide the legal framework for ensuring appropriate customer and age verification settings and requirements for WSPs. Further information about the relevant legislation and regulations is below.

1. Commonwealth Requirements

National Consumer Protection Framework (NCPF)

The NCPF was developed jointly between the Commonwealth, state and territory governments and was launched in 2017. It was designed with the aim of minimising the harms of online wagering to Australian consumers and consists of 10 consumer protection measures. As of 2024, all are now in force across all Commonwealth and state/territory jurisdictions.

As part of the NCPF, a measure was introduced that required WSPs to undertake customer identity verification when a customer registers for a new account and before they can place a bet. This helps to ensure that only verified individuals who are over the age of 18 are able to access online gambling services.

The verification measure was developed through a series of reforms, as demonstrated in the following table.

From	Online WSPs must perform customer verification
26 February 2019	within 14 days of a customer opening an account.
2 May 2022	within 72 hours of a customer opening an account.
29 September 2023	after a customer has created an account, but before the account is opened or transacted on.
29 September 2024	before permitting a customer to create an online betting account.

This measure is regulated by AUSTRAC via the *Anti Money Laundering and Counter Terrorism Financing Rules Instrument 2007* (further detail below).

AML/CTF Legislation

All licensed online wagering operators in Australia are legally required under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) (AML/CTF Act), and the *Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No. 1)* (Cth) (AML/CTF Rules), to undertake a customer verification procedure to provide online gambling services to customers, as part of meeting their compliance and reporting obligations.

Section 32 of the AML/CTF Act requires that customer identification procedures be carried out before providing a designated service.

Section 4.2.3 of the AML/CTF Rules requires that, at a minimum, the customer's full name, date of birth and residential address be collected.

2. State and Territory requirements

There are several legislative and regulatory instruments which outline age and customer requirements for wagering, including for online WSPs. The key statutory obligations on WSPs with respect to minors are summarised in the table below.

Jurisdiction	Statutory Instrument	Detail
Australian Capital Territory	<i>Race and Sports Bookmaking Act 2001</i> (ACT), s 72A <i>Interactive Gambling Act 1998</i> (ACT), s 18, 134 and 135	Requires that applications to open an account must include evidence of identity and that the person is 18+. It is an offence to allow children to participate in wagering or the conduct of wagering, or otherwise accept a bet placed by a child.
New South Wales	<i>Unlawful Gambling Act 1998</i> (NSW), s 16	It is an offence to engage in any form of gambling with a minor.
Northern Territory	<i>Racing and Betting Act 1983</i> (NT), ss 132 NT Code of Practice for Responsible Service of Online Gambling 2019, s 6	It is an offence to bet with a minor. Online WSPs must ensure they have appropriate processes in place to prevent minors from accessing gambling services.

Queensland	<i>Racing Integrity Act 2016</i> (Qld), s 138 <i>Interactive Gambling (Player Protection) Act 1998</i> (Qld), ss 18, 179 and 180	Requires that applications to open an account must include evidence of identity and that the person is 18+. It is an offence to allow children to participate in wagering or the conduct of wagering, or otherwise bet with a minor.
South Australia	<i>Gaming Offences Act 1936</i> (SA), ss 53 to 55 <i>Authorised Betting Operations Act 2000</i> (SA), ss 60, 62A	It is an offence to bet or offer to make a bet with a minor. Betting operators are required to embed systems and procedures designed to prevent bets being made by children.
Tasmania	<i>Gaming Control Act 1993</i> (Tas) - s 76ZV	It an offence to accept a wager from a person by means of a telecommunications device unless that person's identity has been authenticated in accordance with the licensee's licence conditions
Victoria	<i>Gambling Regulation Act 2003</i> (Vic), ss 4.3A.34L, 10.7.1 to 10.7.5	It an offence for a WSP to fail to ensure that customers identify is verified in accordance with the licensee's licence conditions It is an offence to allow a minor to gamble.
Western Australia	<i>Betting Control Act 1954</i> (WA), ss 21	It an offence to permit a minor to bet.