



Director, Gambling Division  
Victorian Gambling and Casino Control Commission  
GPO Box 1988, Melbourne, VIC 3001  
Email: [contact@vgccc.vic.gov.au](mailto:contact@vgccc.vic.gov.au)

### **Submission on Wagering Inducements: Consultation on Draft Regulatory Guide**

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's members take gambling harm seriously and support evidence-based measures to promote safe wagering habits and protect those experiencing harm. Our members have introduced tools such as deposit limits, real-time intervention technologies, and self-exclusion mechanisms to proactively address gambling harm.

RWA welcomes the opportunity to provide feedback on the *Draft Regulatory Guide on Wagering Inducements* and acknowledges the Victorian Gambling and Casino Control Commission's (**VGCCC**) objective of ensuring wagering promotions (or inducements) do not lead to gambling harm. RWA supports a clear, evidence-based, and nationally consistent regulatory approach that delivers the best outcomes for consumers, operators, and regulators. To achieve this, with the view to support national consistency **we recommend that the VGCCC wait for the Federal Government's response to the Online Gambling Inquiry in order to then implement nationally consistent reforms to inducement advertising rules**

### **Supporting a nationally consistent regulatory approach**

A nationally consistent framework is essential to ensuring clear regulations, effective consumer protections, and practical compliance for operators. With the Federal Government's response to the Online Gambling Inquiry expected soon, now is not the time to introduce inconsistent state reforms.

A coordinated national approach will deliver more effective consumer protections, greater regulatory clarity, and fairer industry oversight. If this approach is not taken, the likelihood is that industry will be subject to two sets of changes in relation to advertising of inducements in Victoria within a short period, essentially doubling the regulatory burden without any corresponding consumer benefits.

The Draft Regulatory Guide states that Victoria's rules should align with other states to prevent consumers from being induced to open an account. However, this proposal diverges from existing models and introduces unnecessary complexities. A further fragmented state-by-state approach risks inconsistencies in consumer protections, unnecessary compliance burdens for WSPs, and enforcement challenges for regulators, without improving harm minimisation outcomes.

If the VGCCC is committed to pursuing reforms independently of the Federal Government's forthcoming response and reforms, RWA recommends the VGCCC align with an existing model on inducement advertising regulation rather than adding another state-specific regulatory layer. In our view, adopting an existing model, such as that currently in place in New South Wales (NSW), while not without its challenges, would be preferable to creating a standalone Victorian model.

If the VGCCC intends to proceed with the reforms as consulted, significant clarification, adjustment, and further consideration are required to ensure any proposed framework is workable and enforceable, with further detail set out below.

### **Wagering promotions (inducements)**

Promotions (or inducements) are a standard, widely accepted and well-regulated practice across numerous industries, serving as a legitimate means of differentiating products and engaging customers in a competitive market. Just as supermarkets offer "buy one, get one free" deals, airlines provide frequent flyer points, and department stores run seasonal sales, wagering operators use promotions to provide value, engagement, and choice to their customers - the vast majority of whom bet safely and for entertainment.

Australia's regulatory framework already provides strong and clear safeguards around the offering and advertising of promotions. Licensed WSPs must comply with all Commonwealth, state, and territory laws, including strict prohibitions on offering or advertising promotions as an incentive for a person to:

- create an account with a WSP;
- not close an account with a WSP;
- refer a friend to create an account with a WSP; or
- consent to receive direct marketing from a WSP.

The advertising of inducements to open an account is already prohibited under Section 4.7.10 of the *Gambling Regulation Act 2003*, and as a result sign-up offers are no longer available to Australian consumers, except by illegal offshore operators (who continue to offer significant sign-up bonuses), or other forms of gambling such as lotteries. The appropriate regulatory focus should be on enforcement against open account offers, which are already banned. RWA and its members strongly support the VGCCC taking regulatory action against operators who are not complying with these existing requirements.

The proposed expansion of the definition of inducements to include other promotions that are exclusively available to existing account holders is a stance not supported by Victorian law, nor is it the position in other states and territories. This proposed expansion creates unnecessary regulatory complexity and inconsistency with other jurisdictions. Not all promotions should be classified as “inducements to open an account” as promotions which are currently permitted under Victorian law are *not* inducements to *open an account*, but are promotions for other purposes. Many – such as price specials, bet specials, and money-back offers – are designed specifically for existing customers, much like loyalty programs in other industries, rewarding existing customers rather than attracting new ones.

Classifying all promotions as inducements to open an account would not enhance consumer protections but instead introduce regulatory misalignment. Maintaining consistency with other Australian jurisdictions ensures an effective, enforceable, and clear regulatory framework rather than a fragmented, state-specific approach that adds unnecessary complexity without tangible benefits.

### **Need for Further Guidance**

If the VGCCC is determined to proceed with these proposed reforms and introduce unique regulatory requirements in Victoria, it is essential that any new rules provide clear definitions to support industry-wide compliance. In its current form, the Draft Regulatory Guide cannot be implemented in its current form. Once these issues are addressed, additional regulatory guidance will be essential to ensure consistent application across the industry. To strengthen regulatory clarity, we recommend that the VGCCC:

- **Clearly define ‘new customer’.** We recommend alignment to the AML/CTF ‘know your customer’ requirements, which ensure a customer must have their identity verified through appropriate and pre-set methods before they can open an account and commence any activity.
- **Clarify the definition and scope of inducements.** The Draft Regulatory Guide does not distinguish between inducements to open an account (already banned) and promotions for existing customers that are advertised publicly (e.g., price specials, money-back offers). It would also be beneficial for the Draft Regulatory Guide to include a section listing examples of promotions or advertisements that do not constitute inducements to open an account.
- **Provide clear regulatory guidance -** To provide clarity and consistency, RWA recommends that the VGCCC align with established regulatory approaches that clearly define what constitutes an inducement to open an account (for example, the *Liquor and Gaming NSW Gambling Advertising and Inducement* guidelines).

## **Audit Requirements**

As outlined throughout this submission, the current approach requires substantial reworking to ensure it is implementable in practice. Until this is addressed, it is premature to consider audit requirements. Instead, a second round of consultation would be beneficial to refine the framework and provide industry with the opportunity to assess a revised approach. This will help ensure that any future audit guidelines are clear, consistent, and practical for both regulators and operators.

## **Implementation Timeline**

A well-planned transition period is critical to ensuring a smooth and effective implementation of the new framework. However, the proposed 1 July 2025 start date allows for just six weeks for operators to implement potentially complex operational changes - a timeframe that is not viable particularly given the need for greater clarity in the existing proposal as outlined above.

Our advice is that the current proposal is not implementable in its current form due to technical and operational gaps. While further clarification is needed, initial estimates suggest a minimum 12-month transition period to accommodate necessary system upgrades, process adjustments, compliance training, and coordination with external partners, including advertisers and media agencies. This timeline may require further refinement once the full scope of regulatory requirements is confirmed.

Beyond these practical implementation challenges, this presents a further compelling reason to wait before proceeding with a standalone Victorian model. Within this same 12-month timeframe, it is highly likely that a national framework, (including considerations on inducement advertising), will take shape, providing a more consistent and effective regulatory approach. Moving forward with state-specific regulations ahead of this national process risks introducing unnecessary uncertainty, regulatory duplication, and potential misalignment - all of which may require further revisions once national reforms are introduced.

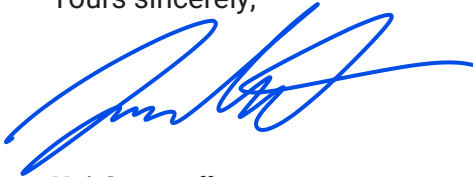
Given this, waiting for the Federal Government's response is not only the most practical approach - it is the most sensible regulatory path forward.

## **Next steps**

RWA welcomes ongoing engagement with the VGCCC to ensure a practical, effective, and nationally consistent approach. We believe that a coordinated approach across jurisdictions would provide the clearest and most effective regulatory outcome for both industry and regulators. By aligning with broader national reforms, the VGCCC can avoid the need for future amendments and ensure Victoria's regulations are part of a unified and well-structured policy response.

We would welcome the opportunity to work collaboratively with the VGCCC to refine these guidelines and provide further input based on industry expertise and operational experience. Should you require any further information about these issues, please contact Mr Mike Websdane, Head of Policy and Operations, at [mike.websdane@responsiblewagering.com.au](mailto:mike.websdane@responsiblewagering.com.au).

Yours sincerely,



**Kai Cantwell**  
**Chief Executive Officer**

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