

SBS RESPONSE TO HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON SOCIAL POLICY AND LEGAL AFFAIRS

INQUIRY INTO ONLINE GAMBLING AND ITS IMPACTS ON THOSE EXPERIENCING GAMBLING HARM

10 NOVEMBER 2022

Key Points

- The Special Broadcasting Service (**SBS**) welcomes the opportunity to provide a submission to the House of Representatives Standing Committee on Social Policy and Legal Affairs (**the Committee**) inquiry into Online Gambling and its Impacts on Those Experiencing Gambling Harm (**the Inquiry**).
- SBS's comments respond to those parts of the Inquiry's Terms of Reference which deal with "the effectiveness of current gambling advertising restrictions on limiting children's exposure to gambling products and services."
- It is relevant to note that children do not make up a significant proportion of the SBS audience, and for those programs that are directed to children (such as *Little J & Big Cuz*), SBS does not accept gambling advertisements.
- SBS takes very seriously the need to ensure that content (including advertising) on its platforms is presented responsibly and in a way that accords with community expectations, particularly regarding protection of child audiences.
- The advertising of betting and gambling services is highly regulated in Australia, with a sizeable proportion of that regulation designed to limit the exposure of child audiences. SBS appreciates the expectations of the community in relation to advertising of gambling products and services and ensures full compliance with all relevant legal and regulatory requirements including in relation to content and placement across its radio, television and online services.
- SBS also applies additional safeguards, as relevant and appropriate, to manage the placement of advertisements for products that have the potential to have a harmful effect on members of the community due to other circumstances of vulnerability. Sensitivities of the likely audience and integrity of the program are taken into account and SBS regularly exercises discretion on such matters.
- SBS also addresses social issues such as problem gambling in its editorial coverage on programs such as *Insight* and the program *Addicted Australia*.
- The low level of complaint received by SBS regarding gambling advertising suggests these restrictions are operating effectively and in line with community expectations.



- In addition to these factors, advertising inventory on SBS television is at lower levels when compared to commercial free-to-air television platforms.
- The existing and comprehensive suite of regulations is working effectively to responsibly regulate this form of advertising in line with community standards.

About SBS

As Australia's most diverse broadcaster, SBS holds a unique place in the Australian media landscape, inspiring all Australians to explore, respect and celebrate our diverse world and in doing so, contributes to an inclusive and cohesive society. SBS is also the home of the National Indigenous Television (**NITV**) service.

Today, SBS is a modern, multiplatform media organisation with a free-to-air TV portfolio spanning six distinctive channels in SBS, NITV, SBS VICELAND, SBS Food, SBS World Movies and SBS WorldWatch; an extensive radio network providing over 60 communities with services in their own language; and an innovative digital offering, including SBS On Demand, available to audiences anytime and anywhere.

Existing restrictions on gambling advertising are extensive and far reaching

Gambling advertising on SBS's broadcast and digital platforms is extensively regulated and provides comprehensive safeguards, particularly as regards children's exposure to advertising.

Restrictions cover which products can be advertised, what content can be included in advertisements, and when and where advertisements can be placed (scheduled).

SBS takes its responsibility to adhere to these restrictions, and the need to uphold community expectations in relation to gambling advertising, very seriously.

Restrictions on the placement of advertisements for gambling services

On SBS TV and Radio, SBS On Demand – as is the case on commercial free-to-air television and commercial radio – promotion of betting odds and commercials relating to betting or gambling during coverage of live sporting events are:

- Prohibited during the period 5am-8.30pm;
- Subject to placement restrictions during the period 8.30pm-5am (can only be run before play, after play or during scheduled and unscheduled breaks; betting odds promotions cannot be run during play).¹

Furthermore, commercials relating to betting and gambling must not be broadcast on SBS television and commercial free-to-air television in:

- 5am-8.30pm: any program principally directed to children;
- 6am-8.30am: any G classified program with the exception of news and current affairs and sports programs (news and current affairs programs are not exempt in Tasmania);
- 4pm-7pm: any G classified program with the exception of news and current affairs and sports programs (news and current affairs programs are not exempt in Tasmania; news, current affairs and sports programs are not exempt in South Australia, Monday to

¹ Source: *Broadcasting Services Act 1992* Schedule 8, Broadcasting Services (Online Content Service Provider) Rules 2018, SBS Code of Practice, Commercial Television Industry Code of Practice, Commercial Radio Code of Practice.



Friday). The restriction period is extended to 7.30pm in Tasmania (weekends) and South Australia (weekdays).²

These comprehensive protections are designed with the primary aim of restricting children's exposure to gambling advertising and are working effectively in this regard.

As outlined above, gambling advertisements must not be placed in any program principally directed to children in the hours 5am to 8.30pm on broadcast television.

In addition to this, SBS places restrictions on the placement of gambling advertisements on TV, Radio and on its digital platform SBS On Demand, such that the advertisements are excluded from relevant content collections that deal with issues that have the potential to have a harmful effect on members of the community due to circumstances of vulnerability (for example, addiction, gambling).

Restrictions on advertising certain products and services

Across all platforms, advertisements for designated illegal interactive gambling services (online casinos, in-play sports betting, and betting on the outcome of a lottery) are prohibited. Offers or promotions for credit for online sports betting are also prohibited.³

Across all platforms, the advertising of wagering, casino and gaming machines must comply with a range of restrictions and the depiction of some forms of gambling is prohibited.⁴ For example:

- In New South Wales, it is prohibited to publish any gaming machine advertising;⁵
- In Victoria, it is prohibited to publish commercials for gaming machines.⁶

Content standards

In addition to the above outlined restrictions on the placement of advertisements, there are also extensive regulations which ensure the content of advertisements for gambling advertisements adhere to community expectations.

For advertisements on online content services, SBS TV and Radio, commercial free-to-air television and commercial radio, the promotion of betting odds and commercials relating to betting or gambling during live sporting events:

- Must be accompanied by a short responsible gambling message;
- Must not be directed to children, portray children participating in betting or gambling or portray betting or gambling as a family activity;
- Must not make exaggerated claims or promote betting or gambling as a way to success or achievement;
- Must not associate betting or gambling with alcohol;
- Must be socially responsible and not mislead the audience.⁷

² Source: SBS Code of Practice, Commercial Television Industry Code of Practice, Responsible Gambling Mandatory Code of Practice (Tas), Authorised Betting Operations Gambling Code of Practice (SA),

³ Source: *Interactive Gambling Act 2001*, *Interactive Gambling Act 1998 (ACT)*, *Interactive Gambling (Player Protection) Act 1998 (Qld)*

⁴ Source: State and Territory legislation and regulation

⁵ Source: *Gaming Machine Act 2001 (NSW)*

⁶ Source: *Gambling Regulation Act 2003 (VIC)*

⁷ Source: *Broadcasting Services Act 1992* Schedule 8, *Broadcasting Services (Online Content Service Provider) Rules 2018*, SBS Code of Practice, Commercial Television Industry Code of Practice, Commercial Radio Code of Practice. Note: The Department of



The advertising of wagering products or services must also comply with a range of standards across all platforms to maintain a high standard of social responsibility. They:

- Must not, having regard to the theme, visuals and language used, be directed primarily to minors (under 18);
- Must not depict a person who is a minor unless the person is shown in an incidental role in a natural situation and where there is no implication they will engage in wagering activities;
- Must not portray, condone or encourage wagering in combination with the consumption of alcohol;
- Must not state or imply a promise of winning; and
- Must not portray, condone or encourage participation in wagering activities as a means of relieving a person's financial or personal difficulties.⁸

These regulations provide comprehensive protection against potentially harmful content in gambling advertising and reflect community concerns and the interests of vulnerable audience members.

High level of compliance by SBS with the extensive restrictions already in place

SBS has demonstrated a very high level of compliance with the full range of advertising restrictions across its platforms.

Since its establishment, the SBS Ombudsman has only made one breach finding in relation to the scheduling restrictions on gambling advertising.⁹

Similarly, there have been no ACMA breach findings in relation to SBS's compliance with Schedule 8 of the *Broadcasting Services Act 1992* or the Broadcasting Services (Online Content Service Provider) Rules 2018.

There have also been no breach findings in relation to SBS's compliance with state and territory regulations.

(We note that compliance with the AANA Wagering Advertising Code is the responsibility of wagering advertisers. Where there is a breach finding, SBS will remove the advertisement from its services).

SBS exercises discretion regarding the placement of advertisements

It should also be noted that SBS exercises discretion regarding the placement of advertisements where warranted by program subject matter or likely audience needs.

SBS may decline to broadcast advertisements where it may impact the programming or particular audiences, including where the subject matter conflicts with the SBS Charter.

For example no gambling, payday lending or alcohol advertisements were placed in the program *Addicted Australia*.

Social Services is currently leading a cross-jurisdictional reform project which would place further requirements on the content and display of responsible gambling messages.

⁸ Source: AANA Wagering Advertising Code

⁹ In March 2018, a betting advertisement was scheduled within live sport in breach of Code 5.1. This operational oversight occurred on the day after new Code regulations about gambling advertising took effect.



Children are a small proportion of SBS audiences/users

Audience data demonstrates that children make up a very small proportion of the SBS audience, particularly during live sport. In live sport broadcast between 5am and 8.30pm, the average audience size for people under 18 in the last 6 months was 593 (2% of the overall average audience of 28,959 people). For live sport broadcast between 8.30pm and 5am, the average audience size for people under 18 was 2,131 (2.6% of the overall average audience of 82,328).¹⁰ Numbers of children accessing SBS's digital services are also low, with only 1% of SBS account holders under 18 years of age.¹¹

Low levels of community concern as expressed through complaints

Data on complaints and feedback received by SBS in relation to gambling advertising suggests there is not widespread concern regarding the way gambling advertising is presented on SBS networks, and that the current suite of restrictions is working as intended.

Across the financial year 2021-22, SBS received 2,652 complaints relating to gambling advertising, 89% of which (2,363) were driven by campaigns coordinated by anti-gambling organisations.¹² Of these, approximately 113 were duplicates.

The total number of feedback tickets logged by SBS for this period was 59,147, which means that gambling advertisements accounted for only 4% of all comments/feedback/inquiries received by SBS in this period (or 0.5% if campaign-related feedback is excluded).

These figures do not suggest widespread concern with the presentation of gambling advertising on SBS's platforms.

Revenues received from advertising are invested back into serving SBS's public service remit

It is also relevant to note that the revenues received from advertising are reinvested into SBS's unique and distinctive content (in line with the SBS Charter).

SBS generated 33% of its total operating revenue from the sale of goods and services in 2021-22, predominantly advertising revenues across the SBS platforms. SBS generated \$133.9 million in advertising and sponsorship activities in 2021-22, and this revenue is reinvested into distinctive content and services for audiences in line with SBS's public service Charter.¹³

It should also be noted that the amount of gambling advertising on SBS is comparatively less than on other networks, given SBS is limited to 5 minutes of advertising per hour. This is approximately one-third of the inventory available on commercial networks. Gambling advertising on SBS is within reasonable and modest limits.

It should, however, be emphasised that any additional restrictions or regulations which would inhibit SBS's ability to derive revenue from gambling advertising would primarily impact our audiences, due to the subsequent reduction in SBS's ability to invest in Charter-led content and services.

¹⁰ Source: OzTAM; RegTAM; 5 City Metro; Combined Aggregate Markets (incl WA); Metro and Regional Average Audience; Total People; Live Sport; Sun-Sat 0500-2030 and 2030-0500; 01 May – 31 October 2022

¹¹ Source: internal SBS data, March 2022

¹² Source: Zendesk, 1 July 2021 – 30 June 2022

¹³ Refer to SBS Annual Report, 2021-22, p 76



Conclusion

SBS is supportive of proportionate and well-designed regulation which ensures that the advertising and content on SBS platforms reflects community expectations and minimises potentially harmful impacts.

To this end, there is an extensive range of comprehensive protections already in place for gambling advertising, which SBS strictly adheres to.

This strong compliance record, together with low levels of audience feedback (especially unprompted), suggests the current suite of regulations is working well to meet community standards for advertising on SBS platforms, particular as regards children.

Revenues derived from advertising (including gambling advertising) on SBS's platforms are reinvested into the creation and distribution of content with strong public service benefits. Any consideration of additional regulation which would restrict the ability of SBS to generate such revenues should also consider how SBS would be compensated for revenue forgone.