



# Inquiry into online gambling and its impacts on those experiencing gambling harm

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## Executive summary

### Voluntary consumer protections can be effective – but are largely underused

- *Research needs to be conducted with adequate independent funding and in-kind support from gambling operators to enable consumer protection measures to be tested.*
- The major barriers to voluntary consumer protection tool use were that the tools were not perceived to be relevant for most customers. Tools are seen as something intended for people with gambling problems and people thought that they could control their gambling without the tool.
- Efforts are needed to reframe tools and their use to normalise tool use among all customers.
- Design changes appear effective in increasing voluntary tool use (e.g., mandated opt-out).
- Many customers who set limits later change or remove these. *Deposit limits should be accompanied by more education and tools for consumers to assist them in setting affordable limits and providing resources to assist them to stick with their intentions.* Greater friction is needed to deter increasing/removing limits.
- Customers who do set limits are more likely to reduce risky gambling behaviours, suggesting that they can be effective in reducing harms.
- The vast majority of online wagering customers are inaccurate in their stated knowledge of their actual gambling losses and number of bets. This suggests more efforts are needed to enhance accurate self-knowledge and it should not be presumed customers are making decisions based on accurate understanding of their own behaviours (and affordable gambling).

### More targeted programs are needed to reduce gambling harms

- Young men are at-risk of gambling problems and have specific risk factors and experience of harms. Efforts are needed to create specific resources and tools for this subgroup.
- A third-party mechanism is needed that enables affected family members to be involved in the exclusion process.



- Online gambling harms can be reduced through a broad suite of tools and resources that are positioned as enhancing wellbeing in various life domains related to leading to risky gambling.

Existing treatment services are broadly adequate to address online gambling harms

- Online gambling is not a different type of gambling, but rather a mechanism of access. How gambling problems present clinically does not differ meaningfully between individuals who gamble online or in venues.
- Funding for treatment services is based on geographical location, as online gambling occurs at a national level, funding for services could be reconsidered.
- Financial counselling is essential and ongoing funding for gambling-specific resources are needed.
- There are few appropriate treatment options for individuals experiencing online gaming problems.

Development of online education resources is needed that relate specifically to wagering-related harms

- Training is needed for health, helping, and welfare professionals to assist them in identifying, screening, and assisting individuals to engage with tools, resources, and treatment for gambling problems.
- Stepped-care resources are needed such that there are easily accessible options for individuals without severe gambling problems who do not want to engage with treatment.
- Broader resources such as those who assist people to be savvy digital consumers would potentially reduce the impact of predatory gambling and gambling marketing (in addition to other problematic online behaviours).
- Resources should assist individuals to engage in safer and sustainable gambling for those who wish to gamble rather than only focusing on avoiding harms.

Gambling simulations and mechanisms within games may increase favourable attitudes, inflated expectations of winning leading to increased gambling behaviours including among youth

- Exposure to gambling-content in games can be a trigger for individuals struggling to control their gambling which may exacerbate harms.
- Gambling content in games unrestricted by age may increase subsequent gambling engagement, increasing risks of developing gambling harms.
- Gaming disorder is distinct from gambling disorder and requires specific consideration for harm minimisation.
- Consumer protection tools modelled on reducing gambling harms may be appropriate in reducing harms related to the gambling-mechanisms within games.

Broad advertising for online wagering is likely to continue to be highly impactful on increasing public awareness and favourable attitudes towards gambling and exacerbate gambling harms

- Minor reductions in advertisements are likely to be largely ineffective as advertisements for online wagering are still highly visible in society.
- Direct marketing and inducements may strongly influence behaviour.
- We recommend further actions be taken to reduce people's exposure to marketing for gambling products, including clear assistance for how to opt-out as well as reducing direct marketing as a default.



## Preamble

The University of Sydney's Gambling Treatment and Research Clinic (GTRC) is one of the world's leading gambling research centres. It also provides gambling treatment services under the NSW Office of Responsible Gambling's GambleAware branding, leading the provision of services across three regions in NSW (Central Sydney, South West Sydney, and Blue Mountains-Western Sydney). Since July 2021, we have seen 1129 clients seeking assistance for their gambling behaviour. Any clinic statistics, unless otherwise stated, refer to these clients.

We would like to begin our submission with two important points. Firstly, while it is laudable that the committee is investigating online gambling, which is a relatively new way to gamble and thus presents unique challenges for harm minimisation, we note that most clients predominantly gamble on land-based forms. Since July 2021, 18% of clients reported gambling primarily online (compared to 67% who gamble only in person, 12% who gamble online and in person). This data includes a period partially covered by COVID-19 lockdowns including gambling venues. Similarly, most of our clients (62%) report that Electronic Gaming Machines (EGMs- "pokies") as their sole form of gambling, with 12% of clients reporting that sports wagering was their primary form of gambling, and 10% reporting racing. Thus, we should not ignore the fact that land-based forms of gambling are still responsible for the majority of gambling related harm.

Secondly, we recommend that the Committee establishes a clear explicit definition for the term 'online gambling'. Occasionally, the term online gambling is used to refer to online wagering (betting on racing/sports), whereas in other contexts the term is used to refer to online casinos, slots and related games, which are not permitted under Australian regulation. This distinction is important because there are significant structural, regulatory, and participatory differences which make the below points of inquiry difficult to address in a consistent and broadly relevant manner. Whilst offshore online gambling sites pose a high risk to individuals due to being unregulated, they are infrequently used. Despite hypothesising that those with a gambling problem would turn to such offshore sites during the COVID-19 related lockdowns, this is not reflected in our clinical experience. Indeed, only 2 out of the 1129 clients that we saw since July 2021 reported that offshore online sites as their preferred form of gambling. As such, the commentary below will refer to online wagering products, unless noted otherwise.

## Points of inquiry

### [1] The effectiveness of existing consumer protections aimed at reducing online gambling harm

There is currently insufficient evidence to demonstrate that legislated or voluntarily enacted consumer protection mechanisms for online wagering sites are effective in reducing gambling harm. A primary reason for this is the lack of methodologically rigorous research which has been conducted in real-world settings. *Research needs to be conducted with adequate independent funding and in-kind support from gambling operators to enable consumer protection measures to be tested.* We recommend that a levy be placed on gambling operators to fund research to minimise gambling harms, or that this be incorporated into licensing fees. Further, we recommend in the instances where online gambling operators receive fines for regulatory



breaches, that these funds be ring-fenced for research, prevention, and treatment efforts to reduce harms.

Our clinical experience suggests that consumer protection tools are relatively ineffective for individuals experiencing gambling problems. They provide insufficient barriers to gambling; for example, even if an individual has deposit limits, or has self-excluded or closed their account, it is not difficult to find another operator (including offshore sites) to easily and quickly open an account to allow ongoing gambling. However, we note that many consumer protection tools are designed to prevent and reduce harms, rather than as an intervention for people with severe gambling problems.

Our clinical team, however, is optimistic that the recently enacted monthly wagering statements that will be provided to customers of Australian-based wagering companies have the potential to be an effective tool in mitigating gambling harms. These statements, which provide a clear picture of how much funds a customer has lost in the preceding month, are likely to be effective in getting customers to accurately consider their gambling losses. This is important as clinical and research evidence finds that most wagering customers significantly underestimate their gambling losses (Heirene, et al., 2022)<sup>1</sup>

Our research team at the University of Sydney are the only Australian researchers who have collaborated with online wagering operators to trial and evaluate online consumer protection measures. Responsible Wagering Australia commissioned a program of research which was designed and conducted independently from the funding body – that is, RWA had no involvement in the research design, data analysis, or reporting of findings and no ability to interfere with research publications, with all findings now publicly available. Open Science methods were used in the research to further avoid any potential bias, that is, the plans for all studies were published online prior to data collection and analysis.

A summary of key findings of published research on the topic is provided here:

Gainsbury, S.M., Angus, D.J., Procter, L., & Blaszczynski, A. (2020). Use of consumer protection tools on Internet gambling sites: Customer perceptions, motivators, and barriers to use. *Journal of Gambling Studies*, 36, 259-276. <https://doi.org/10.1007/s10899-019-09859-8>

- To understand why people use or do not use voluntary consumer protection tools, we conducted a survey of 564 Australian online wagering customers recruited via online wagering sites.
- Most participants were aware of the tools, but few had used these. People who had used the tools reported them to be satisfactory and that they were used as intended, however, only moderate behavioural change was reported suggesting that the tools are only moderately effective.
- The major barriers to tool use were that the tools were not perceived to be relevant for most customers. Tools are seen as something intended for people with gambling problems and people thought that they could control their gambling without the tool (and did not have any problems so did not need the tool).

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<sup>1</sup> Heirene, R. M., Wang, A., & Gainsbury, S. M. (2022). Accuracy of self-reported gambling frequency and outcomes: Comparisons with account data. *Psychology of Addictive Behaviors*, 36(4), 333–346. <https://doi.org/10.1037/acb0000792>



- One quarter of those who did use consumer protection tools did so in order to feel in control and be proactive with their gambling, while one-third wanted to track their gambling spend and between half and three-quarters wanted to see a summary or transaction statement. These results indicate that activity statements are likely to be perceived as the most relevant for the majority of customers, but that shifting communication towards consumer protection tools being empowering and proactive would enhance uptake.
- These results demonstrate an existing problem that consumer protection tools are perceived to be only for those with problems.
- Efforts are needed to reframe tools and their use to normalise tool use among all customers.

Heirene, R.M., Vanichkina, D.P., Gainsbury, S.M. (2021). Patterns and Correlates of Consumer Protection Tool Use by Australian Online Gambling Customers. *Psychology of Addictive Behaviors*, 35(8), 974–984. <https://doi.org/10.1037/adb0000761>

- To explore which customers are using available consumer protection tools and how, we examined the account data of 39,853 customers (median age = 33 years; 84% male) across six Australian wagering sites over 1 year (2018/07/01–2019/06/30). Analysing actual player account data overcomes significant limitations related to self-report of gambling behaviour and use of tools as most people do not accurately describe these behaviours in survey studies.
- Most (83%) customers did not use any consumer protection tools; customers were more likely to use deposit limits (15.8%) than timeouts (0.55–1.57%), and self-exclusion tools (0.16–0.57%).
- During the period of our study, the NCPF requirement requiring customers to set a deposit limit or opt-out of setting one came into effect. This led to substantial increases in limit setting (see Figure 1. Effect of an opt-out policy on deposit limit uptake rates (Heirene, Vanichkina, & Gainsbury, 2021). This result demonstrates the impact of the NCPF requirement and suggests that default opt-outs for consumer protection tool use will significantly increase customer engagement and use.
- Nonetheless, uptake of tools is not the only important metric of effectiveness. Many customers who used deposit limits later changed them, typically by increasing or removing them. These findings suggest that more research is needed to understand customer's perceptions of and experience of using deposit limits. Individuals with gambling problems typically change their intentions to gamble over time, for example, during a gambling session emotions and cognitive fallacies may override previous spend intentions due to a desire to chase losses (or wins). *Deposit limits should be accompanied by more education and tools for consumers to assist them in setting affordable limits and providing resources to assist them to stick with their intentions.* For example, deposit limits could be co-located with activity statements with clear net loss statements and require customers to view these prior to being able to increase or remove limits. *Introducing friction would reduce increases in limits*, such as having to text or call an operator. However, this may reduce limit setting as consumer may be reluctant to set a limit that is difficult to change. Information about safe gambling limits (e.g., Dowling et al., 2021)<sup>2</sup> could be displayed to assist consumer in understanding what has been demonstrated to be affordable in terms of gambling engagement.

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<sup>2</sup> Dowling, N. A., Youssef, G. J., Greenwood, C., Merkouris, S. S., Suomi, A., & Room, R. (2021). The development of empirically derived Australian low-risk gambling limits. *Journal of clinical medicine*, 10(2), 167.



- Consumers who used timeouts and/or self-exclusion were younger and displayed more risky gambling behaviours (e.g., higher net loss and betting frequency) than consumers who did not engage with these tools.
- Our findings suggest that voluntary consumer protection tools have inherent limitations in addressing harmful behaviours if consumers can easily increase or remove these. The study suggests that greater efforts are needed to encourage consumer protection tools use among a broad customer base, including default limits requiring opt-out, greater friction to increase or remove limits, and more persuasive communication of the benefits of timeouts.

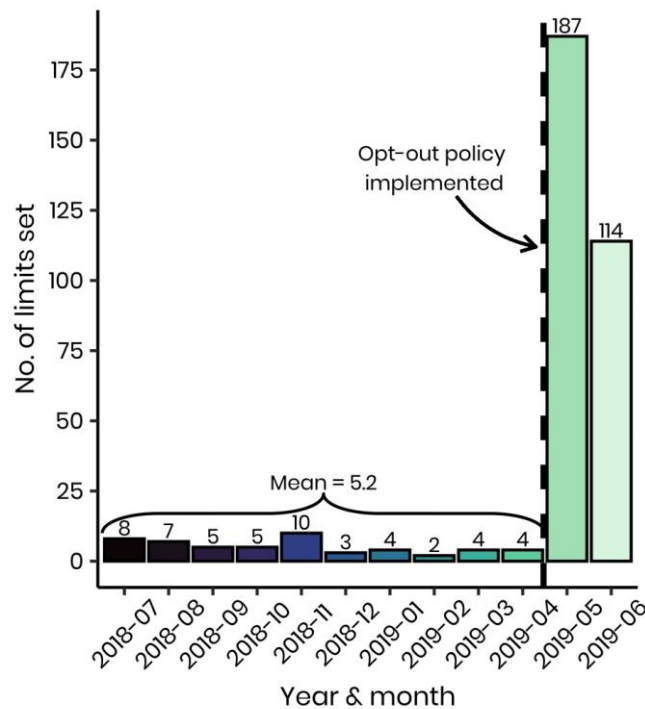


Figure 1. Effect of an opt-out policy on deposit limit uptake rates (Heirene, Vanichkina, & Gainsbury, 2021)

Heirene, R.M., & Gainsbury, S.M.. (2021). Encouraging and evaluating limit setting among online gamblers: A naturalistic randomised controlled trial. *Addiction*. <https://doi.org/10.1111/add.15471>

- After understanding which customers set deposit limits, we investigated how we can increase voluntary uptake of consumer protection tools and how effective these are in changing behaviours.
- We worked with four Australian online wagering operators to conduct a pre-registered naturalistic randomised control trial involving 31,989 customers. Operators sent customers messages via email or in-account notification with varying content which promoted deposit limits.
- Significantly more customers set deposit limits after receiving a message compared to a control group who did not receive a message, however, the action was still infrequent (0.71% vs 0.08%). This implies that messages are useful, but they do not promote significant behavioural change when sent at a random time. It is possible that messages would be more effective if they were received at a relevant time based on a trigger (e.g.,



- immediately following a large loss/win) as they would be received at a time when an individual is more receptive to the message.
- There were no differences between the messages, suggesting that to increase message effectiveness, content should be more tailored to individuals and subgroups (vs. universal messages).
  - Despite the relatively low use of deposit limits, customers who did set these significantly reduced their risky gambling behaviours, suggesting that deposit limits are useful for those who use them. Specifically, customers who set limits decreased their average daily wager (and variation in daily wagers), net loss and betting intensity.

Heirene, R.M., Wang, A., Gainsbury, S.M. (2022). Accuracy of self-reported gambling frequency and outcomes: Comparisons with account data. *Psychology of Addictive Behavior*, 36(4), 333–346. <https://doi.org/10.1037/adb0000792>

- Advancing our research looking at customer account data, we sent a survey to 40,000 customers of an Australian wagering site and received 514 responses. The aim of the research was to determine whether online gambling customers can accurately recall their recent gambling outcomes and betting frequency. This is important as many existing policies are based on the assumption that individuals should be responsible for their behaviours and know how to act in their own best interests (e.g., consumer set their own deposit limits and decide if they need to self-exclude).
- Among the 514 participants who reported their net outcome, only 21 (4.09%) were accurate within a 10% margin of their actual outcome. Participants were most likely to underestimate their losses ( $N = 333$ , 64.79%). Lower actual net losses were associated with greater under- and over-estimation of losses.
- Of the 652 participants who reported their gambling frequency, 48 (7.36%) were accurate within a 10% margin of their actual frequency. Most participants underestimated their number of bets ( $N = 454$ , 69.63%). Higher actual betting frequencies were associated with underestimating betting and lower actual frequencies with overestimating betting.
- The poor recall accuracy we observed suggests public health approaches to gambling harm minimization that assume people make informed decisions about their future bets based on past outcomes and available funds should be reconsidered.
- These findings support the need for accurate activity statements with clear statements of net outcomes, as implemented under the NCPF. Further research is needed to determine if these statements have had any impact in increasing consumer's accuracy of estimating their bets and outcomes and whether this has any impact on the experience of gambling harms.
- Findings also question the reliability of research outcomes predicated on self-reported gambling behaviour including most gambling prevalence surveys.

Further research is currently underway to explore how to increase voluntary engagement with consumer protection tools, including among target segments at higher-risk of gambling harms. Research is also underway to evaluate the impact of existing consumer protection measures (including those legislated and not), to inform the refinement of the resources available.



## [2] How to better target programs to address online gambling harm to reduce the potential exploitation of at-risk people, and protect individuals, families and communities

Australian men, particularly young men (18-34 years) are an especially high-risk group in the context of online sports and race wagering.

Young men are the direct target of almost all pervasive marketing and advertising campaigns produced by online wagering companies (Hing et al., 2017)<sup>3</sup>. This targeting is reflected in our client numbers, as the clients who come to the clinic asking for assistance with gambling harms stemming from online gambling are predominantly men (of note, despite the fact that approximately 30% of our clients identify as female, not a single female client has presented at the clinic since July 2021 with gambling on wagering products as their primary form of gambling).

It is therefore unsurprising that between 80-90% of online wagering customers are men (Heirene et al., 2021; Gainsbury et al., 2019)<sup>4,5</sup>. There is also speculation that many accounts under female identities are in fact fraudulent accounts opened by men who have had their original accounts restricted (Davies, 2022)<sup>6</sup>. Just as industry marketing is directed toward young men, we recommend that evidence-based harm minimisation initiatives also seek to identify and meet the unique needs of this group.

Research supports the vulnerability of men when it comes to gambling problems in general and commonly comorbid mental health conditions. For example, meta-analyses have found that being male, under the age of 35, and involved in online gambling, are among the highest predictors of problem gambling severity (Dowling et al., 2017)<sup>7</sup>. Furthermore, depression and suicide are ranked the highest cause of death among young Australian men (ABS, 2021)<sup>8</sup>, who are disproportionately more likely than women to abuse alcohol and other drugs (AIHW, 2011)<sup>9</sup>. Despite their high-risk status, young men are one of the least likely groups to access and use any type of support tool or resource or to seek professional help for gambling or other mental health problems.

*To better target programs to address gambling harm in young men, research is needed to better understand the barriers and facilitators to their engagement with such programs. We (the authors) are unaware of any gambling studies that have investigated this important issue directly, although evidence from the broader mental health literature suggests that factors related to*

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<sup>3</sup> Hing, N., Russell, A.M.T., Lamont, M. *et al.* Bet Anywhere, Anytime: An Analysis of Internet Sports Bettors' Responses to Gambling Promotions During Sports Broadcasts by Problem Gambling Severity. *Journal of Gambling Studies*, 33, 1051–1065 (2017). <https://doi.org/10.1007/s10899-017-9671-9>.

<sup>4</sup> Heirene, R.M., Vanichkina, D.P., Gainsbury, S.M. (2021). Patterns and Correlates of Consumer Protection Tool Use by Australian Online Gambling Customers. *Psychology of Addictive Behaviors*, 35(8), 974–984. <https://doi.org/10.1037/adb0000761>

<sup>5</sup> Gainsbury SM, Angus DJ, Procter L, Blaszczynski A (2019) Use of consumer protection tools on Internet gambling sites: Customer perceptions, motivators, and barriers to use. *Journal of Gambling Studies*, 36, 259–276. <https://doi.org/10.1007/s10899-019-09859-8>

<sup>6</sup> <https://www.theguardian.com/society/2022/feb/19/stake-factoring-how-bookies-clamp-down-on-successful-gamblers>

<sup>7</sup> Dowling NA, Merkouris SS, Greenwood CJ, Oldenhof E, Toumbourou JW, Youssef GJ (2017). Early risk and protective factors for problem gambling: A systematic review and meta-analysis of longitudinal studies. *Clinical Psychology Review*, 51, 109–124. <https://pubmed.ncbi.nlm.nih.gov/27855334/>

<sup>8</sup> Australian Bureau of Statistics (ABS; 2021). *Causes of Death*. <https://www.abs.gov.au/statistics/health/causes-death/causes-death-australia/latest-release#intentional-self-harm-deaths-suicide-in-australia>

<sup>9</sup> Australian Institute of Health and Welfare (AIHW; 2011) *Young Australians: their health and wellbeing 2011*. Cat. no. PHE 140 Canberra. <https://www.aihw.gov.au/getmedia/14eed34e-2e0f-441d-88cb-ef376196f587/12750.pdf.aspx?inline=true>





masculinity norms (e.g., pride, bravado, stoicism, fear/embarrassment around showing weakness [Seidler et al., 2016]<sup>10</sup>) have a large part to play in men deciding not to access support. Such barriers need to be investigated and understood so that targeted strategies aimed at overcoming them can be devised. Internal and external factors which may promote engagement should also be formally researched and emphasised in program development.

Different gambling motivations have been found among men compared to women, such as risk-taking, sensation-seeking, competitiveness, inherent interest in sports events, and the desire to demonstrate their skill and prowess (Wong et al., 2013)<sup>11</sup>. Previous research work done at our clinic has highlighted how gambling on certain forms of gambling, such as wagering, can act as a boost to masculinity (Hunt & Gonsalkorale, 2018)<sup>12</sup>, and thus any approach to treating this group needs to be consider how to best engage young men in therapy. In general, work on mental health interventions with men shows that they engage better with transparent, goal-based, and action-oriented interventions as opposed to traditional talk-based approaches (Seidler et al., 2018)<sup>13</sup>. *Such differences have clear implications for developing more tailored harm minimisation programs that can meet the unique needs of young men.*

Young people are also more likely to experience different types of gambling harms in comparison to older adults. For example, gambling harms experienced by younger adults may be related to lack of savings, reduced career progression, limited relationships, and developing unhealthy habits and behaviours. Some of these harms may not be recognised as the problems they lead to may occur in the future (for example in comparison to more severe crisis points such as relationship breakdown, defaulting on loans etc). As such, traditional gambling harm education may be perceived as irrelevant to this group and young men are unlikely to recognise the problems often advertised in relation to gambling problems. Specific resources are needed for this group which are perceived to be relevant and target actual behaviours and harms that are pertinent. For example, resources may focus on enhancing sleep and wellbeing, social relationships, financial resources. Research with the target population is needed to understand what factors would enhance uptake of a harm minimisation/wellbeing enhancing resource for this group.

A third-party mechanism is needed that enables affected family members to be involved in the exclusion process for another person experiencing gambling harm from online wagering

The introduction of a national self-exclusion register (i.e., 'BetStop') as part of the national consumer protection framework rollout represents a significant improvement on current operator-based self-exclusion schemes. The time and effort required for individuals with gambling problems to self-exclude separately from each-and-every wagering account they hold is a considerable barrier to the success of such programs. An accessible, simplified process allowing individuals to initiate a blanket self-exclusion across all 50+ licensed Australian wagering

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<sup>10</sup> Seidler, Z. E., Dawes, A. J., Rice, S. M., Oliffe, J. L., & Dhillon, H. M. (2016). The role of masculinity in men's help-seeking for depression: A systematic review. *Clinical psychology review*, 49, 106–118. <https://doi.org/10.1016/j.cpr.2016.09.002>

<sup>11</sup> Wong G, Zane N, Saw A, Chan AKK (2013) Examining gender differences for gambling engagement and gambling problems among emerging adults. *J Gambl Stud* 29:171–189

<sup>12</sup> Hunt, C. J., & Gonsalkorale, K. (2018). Conformity to masculine norms among treatment-seeking male problem gamblers. *International Gambling Studies*, 18(3), 408-419.

<sup>13</sup> Seidler, Z. E., Rice, S. M., Ogradniczuk, J. S., Oliffe, J. L., & Dhillon, H. M. (2018). Engaging Men in Psychological Treatment: A Scoping Review. *American journal of men's health*, 12(6), 1882–1900. <https://doi.org/10.1177/1557988318792157>



operators is expected to enhance the uptake of self-exclusion and its potency as an effective harm minimisation program.

The BetStop program allows registrants to nominate up to five support persons to assist them through the self-exclusion program. However, the program does not include a third-party pathway for affected others to apply for a family member to be registered in the program. Gambling problems in Australia are defined by the presence of harm to oneself or others, and it is estimated that seven others are impacted for every one person with a gambling problem (Dowling, 2014)<sup>14</sup>. Therefore, it is appropriate that concerned significant others, particularly family who are most likely to be harmed by another person's gambling, can take active steps to minimise the harms to themselves and others. The family member would be required to produce relevant financial documentation and evidence of harm to be assessed in conjunction with a review of the person's betting transaction statements. We recommend against third party exclusion programmes requiring a statement from a recognised gambling treatment clinician.

Obtaining such a statement may require clinicians to intervene in complex family disputes, often with evidence only provided by the family member. This could lead to a lack of trust and hostility from excluded individuals towards treatment services, reducing the likelihood that they would seek treatment or support around their gambling in the future.

Consistent with the centralised nature of the BetStop program, we recommend that a standardised assessment of third-party self-exclusion applications is conducted by an independent body, with clearly defined and delineated lines of responsibility and reporting. This would provide means by which self-exclusion programs can be objectively monitored and audited, bringing transparency to the system. An independent review panel could be staffed with diverse and appropriately trained personnel to assess all self-exclusion candidates in a consistent manner regarding their risk of harm, counselling needs, and referral to appropriate services. While currently third-party exclusion can be implemented as the discretion of online wagering operators, legislated inclusion of this option into the BetStop program would greatly increase its legitimacy and effectiveness.

Online gambling harms can be reduced through broad resources designed to enhance wellbeing

As explained above, few people seek help for gambling problems until these become severe. Voluntary consumer protection tools are underutilised as these are perceived to be for people with a problem controlling their gambling. There is currently a significant problem in engaging online gambling customers, including those at risk of harms, with tools which may reduce their risk of harm.

Although wellbeing is not the opposite of harm, *enhancing various aspects of wellbeing may address some risk factors related to increased gambling problems*. For instance, problematic or risky gambling behaviours may be more likely when people are sleep deprived, experiencing significant stress, or distress, or grappling with difficulties in various life domains including financial difficulties. Taking steps to enhance personal wellbeing is often considered an appropriate and socially approved activity in contrast to 'needing' help with a developed problem.

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<sup>14</sup> Dowling N (2014). *The impact of gambling problems on families*. Australian Gambling Research Centre, Melbourne, Australia



As such, creating or repositioning online self-directed tools and resources designed to enhance wellbeing among groups at-risk of gambling problems may reduce gambling harms.

*We recommend that efforts be placed towards developing wellbeing enhancement tools and resources which are online and self-directed, which target health, mental health, and life-issues that may contribute to risky or problematic gambling.* These should be developed through co-design principles (that is working with the target population of end users), based on expert clinical evidence-based guidance and staged evaluations. Such tools could be recommended to individuals who do not have gambling problems but are identified as potentially being at-risk by professionals (including gambling operators).

### [3] The effectiveness of current counselling and support services to address online gambling harm

We welcome the committee's desire to ask the question of how to best support those who have been affected by gambling harms. However, *there are currently no grounds for thinking counselling and support services should significantly differ between online and offline gambling harm.* While there are some unique features to gambling online that need to be considered (i.e. constant availability, cashless forms of payment that lead to overall spend being obscured), Cognitive Behavioural Therapy (CBT) which has long been shown to be the most effective treatment for gambling-related harm (Gooding & Tarrier, 2009; Leung & Cottler, 2009; Menchon et al., 2018)<sup>15</sup>, is flexible enough to incorporate any required changes due to the nature of online gambling. This therapy has two key components: cognitive techniques, which examine key erroneous beliefs about gambling, how it operates and the impact it has on the individual; and behavioural techniques, which focus on learning principles and reinforcement schedules. With both techniques, the therapeutic framework is flexible enough to incorporate different mechanisms of gambling.

For cognitive techniques, the focus with wagering clients (who are the predominate clients who are gambling online) is on their perceived skill with wagering, and erroneous beliefs about wagering markets. As these foci are the same regardless of whether individuals gambling online or in person, there is minimal need to adapt techniques. Research also suggests that targeting such cognitions is an effective way to reduce gambling harm (Ledgerwood et al., 2020)<sup>16</sup>, and may be more effective than other interventions for targeting gambling harm (Gooding & Tarrier, 2009)<sup>17</sup>.

With behavioural techniques, clients presenting for treatment are exposed to cues that prompt a desire to gamble, followed by interventions designed to prevent gambling behaviour as a response. Such therapy has also been found to be generally effective (Bergeron et al., 2022)<sup>18</sup>. For this form of therapy, some adjustments for those that gamble online may be required, as the focus will be on events that may prompt an individual to gamble, which will be different for those who gamble online than for those that gamble in person. However, this requires only minor recalibrations of the technique rather than a wholesale reinvention.

<sup>15</sup> Gooding, P., & Tarrier, N. (2009). A systematic review and meta-analysis of cognitive-behavioural interventions to reduce problem gambling: hedging our bets?. *Behaviour research and therapy*, 47(7), 592-607.

<sup>16</sup> Ledgerwood, D. M., Dyshn ku, F., McCarthy, J. E., Ostojic-Aitkens, D., Forfitt, J., & Rumble, S. C. (2020). Gambling-related cognitive distortions in residential treatment for gambling disorder. *Journal of Gambling Studies*, 36(2), 669-683.

<sup>17</sup> Gooding, P., & Tarrier, N. (2009). A systematic review and meta-analysis of cognitive-behavioural interventions to reduce problem gambling: hedging our bets?. *Behaviour research and therapy*, 47(7), 592-607.

<sup>18</sup> Bergeron, P. Y., Giroux, I., Chrétien, M., & Bouchard, S. (2022). Exposure Therapy for Gambling Disorder: Systematic Review and Meta-analysis. *Current Addiction Reports*, 1-16.



Online gambling raises one interesting point that requires consideration around treatment services. At present, most services are funded at the state and territory level and are typically associated or targeted towards particular geographic regions. This has often been on the basis of where there is the greatest concentration of electronic gaming machines. While this is generally a sound basis for the allocation of services (as mentioned previously, most of the gambling harm is still associated with electronic gaming machines), the rise of online gambling makes it likely that the need for gambling support services may not necessarily map as neatly onto geographic regions, given that online gambling can be accessed anywhere. Greater co-ordination of gambling support services across regions may be required as a result. We would suggest monitoring postcode-level data of those accessing support services to better answer this question moving forward.

In addition to psychological therapy for gambling problems, *we strongly recommend specific funding for financial counselling for individuals experiencing harms related to gambling (including significant others)*. Financial counselling and money management strategies are relevant for a broad population, including those without severe gambling problems. Seeking financial assistance may be more appealing to individuals than admitting that they have a gambling problem requiring treatment, thus can be offered as a prevention in addition to a treatment program. Financial counsellors should receive specific training in how to work with individuals who gamble, including who gamble online. Specific gambling knowledge should be a requirement for all financial counselling accreditation programs. Further efforts are needed to enhance awareness of the free financial counselling resources available across Australia and to enhance uptake of these programs.

We would also like to take this opportunity to raise a separate but related issue. At present, we are not funded to provide services to those who are experiencing harm related to video gaming. Furthermore, we have few referral options for anyone who contacts the clinic for support in this area, as few support services are available. Anecdotal reports from callers to our clinic indicate that mainstream government-funded psychological support services for young people frequently turn away such clients as they feel they are also unable to support them. There are also very few evidence-based treatment options for this group. Thus, provision of treatment for gaming disorder and gaming problems is an area that requires greater attention moving forward.

#### [4] [The quality of and access to protective online gambling education programs](#)

We are not aware of any online gambling education programs. Most education tools were developed for electronic gaming machines (e.g., pokies) and there are few tools and resources relevant for online wagering which aim to educate individuals about risks and prevent harms.

*We highly recommend research to develop online resources relevant for Australians who use online wagering sites to educate individuals about common irrational beliefs which can drive the development of problems* (e.g., belief that someone has 'knowledge'/a system which can help them win). It is important to use co-design principles (that is, involving individuals from the target population) to develop these resources to ensure that they are meeting customer needs and would be used. *We further recommend that resources be tailored to a specific subpopulation* (e.g., young men) as universal tools are typically perceived to be irrelevant by all groups.

In addition to developing educative resources for consumers, *it is important to focus on training health and welfare professionals who may be in contact with individuals who are developing or have gambling problems*. Most individuals do not seek gambling-specific help until problems become severe (e.g., 9-10 years). However, they are likely to interact with health, helping, and welfare professionals, for example for related health, mental health difficulties, financial, legal, relationship problems. If professionals were trained to assess for and identify gambling risks and



harms (including at early stages), and knew how and where to refer clients, it is likely that many individuals would receive help before problems become severe.

This increased awareness of the importance of screening is crucial, as gambling is often an afterthought in mental health assessment. Indeed, in our clinic it is common for clients to report that they have presented to their GPs or to psychologists with concerns over regarding sleep, low mood or anxiety that are secondary to their gambling losses, but their gambling has not been raised as they often have not been asked a single question regarding gambling. Health workers are also often unclear on how to address gambling harm with patients, as gambling rarely is addressed as part of standard training in medical or mental health professions. Therefore, we would *recommend that education about gambling screening and treatment and referral options be made a required component of medical and mental health training programs in Australia.*

As treatment is intended for people with severe gambling problems, *it is important for stepped-care resources to be developed for those who may experience some gambling harms, but do not wish, or need to engage with individual treatment.* Online resources are important and these need to be easy to engage with and appealing to individuals who do not have developed gambling problems but may benefit from some assistance in changing their behaviour. Online treatment programs for gambling have been developed, but these tend to be intensive in terms of effort required such that they would unlikely be used by individuals without strong motivation to engage with a treatment program. Resources and tools need to be designed to assist individuals who are not yet at the stage where they are committed and motivated to take actions to change their gambling.

*We also recommend general educational or community awareness activities about certain topics around gambling.* For example, it is important that there is general awareness about illegality of offshore gambling to minimise risk that individuals will fall prey to this high risk form of gambling. We would also recommend more general activities to promote “gambling literacy”, such videos around mathematical principles of gambling in lay terms (as many myths abound about how most forms of gambling operate), campaigns aimed to increase understanding around available harm minimisation tools and support services, and campaigns designed to reducing shame and stigma around gambling harm and help seeking. *Targeted educational resources about new and emerging gambling forms and risks associated with them would also be recommended.*

As online gambling is likely to continue to change (as seen in emergence of gambling-mechanisms in gaming and promotion of gambling through social media such as live streaming of gambling), *we recommend the development of tools and resources to enhance the ability for consumers (including young adults) to be savvy digital consumers.* This relates to the ability for consumers to identify and understand ‘what is marketing’ (e.g., blurred line between promotions/influencers), what consumers are giving up with ‘free’ offers (e.g., privacy, loss-leading items likely related to ongoing expenditure), how to identify unscrupulous sites/operators (e.g., identifying indicators of secure and legitimate site) and understanding techniques designed to sway consumer behaviour (e.g., recommended purchases, infinity scrolling). Many techniques used to encourage online gambling are used by other online retailers and educative resources can assist consumers in avoiding a range of problems related to online behaviours.

As gambling problems often co-occur with other stressful or difficult life events and initial gambling harms may impact psychological and general health, *it is recommended that resources and tools designed to enhance wellbeing target those at-risk of gambling problems, such as regular gamblers.* Individuals may be reluctant to engage with gambling help resources, but may be interested in resources to assist with financial literacy/planning, health behaviours (e.g., sleep, stress), and enhancing cognitive and decision making. Increasing capacity for individuals to be acting from a well-resourced and healthy position will reduce their risk of engaging in excessive gambling.



Relatedly, any educational resource designed to prevent gambling problems will be limited by individuals' tendency to believe that they are unlikely to develop a problem. As such, we recommend education programs focus on enhancing healthy behaviours such as safer/sustainable gambling. Research is emerging to support behaviours related to the reduced likelihood of experiencing gambling harms (similar to low risk alcohol guidelines) for example work on low risk gambling limits<sup>19</sup> and positive play<sup>20</sup>. Research suggests that many individuals with gambling problems understand that they are experiencing harms yet have difficulties moderating their behaviours<sup>21</sup>. This supports the view that *harm minimisation measures designed to assist people to manage their gambling behaviour* (e.g. limits on the ability to spend money very quickly) and *practical skills training* (e.g., don't gamble when upset/tired, avoid using credit, use appropriate money management strategies) *may be more useful than merely providing information*. This supports the need for ancillary services such as financial counselling to be funded with dedicated resources for individuals who gamble, in an effort to reduce harms.

[5] The appropriateness of the definition of 'gambling service' in the Interactive Gambling Act 2001 (Cth), and whether it should be amended to capture additional gambling-like activities such as simulated gambling in video games (e.g. 'loot boxes' and social casino games)

There is little research evidence to provide clear guidance on this point in either direction. Online activities rapidly change making it likely that new forms of gambling (or gambling-like activities and mechanisms) may emerge in the future. Therefore, we recommend flexibility and discretion on this point.

It has become apparent that the gambling and gaming fields are converging; games are increasingly incorporating gambling themes and mechanics. Industry reports suggest that social casino games saw an incredible boost in popularity throughout the pandemic, providing a simulation of a live gambling experience unaffected by health restrictions. These refer to games whereby users can gamble with virtual currency earned by playing the game itself or buy extra currency through in-app purchases but cannot 'cashout' any winnings. Industry data from 2022 suggest that casino games are the 4<sup>th</sup> largest gaming genre by global spend and that Australia is the 4<sup>th</sup> largest market for these games by consumer spend spending an estimated \$115.8 million in the first half of 2022<sup>22</sup>. US-customer data suggests that social casino game players tend to be female (with the exception of poker games), and over the age of 45, although there is use by younger players.

This submission urges the review to closely consider the increasing availability of gambling themes and mechanics within games and the potential impact of these, particularly on children and adolescents. Research and clinical evidence show that early exposure to and engagement with gambling and the creation of favourable attitudes and expectations of winning is associated with ongoing gambling and increased risk of the development of gambling problems.

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<sup>19</sup> Dowling, N. A., Greenwood, C. J., Merkouris, S. S., Youssef, G. J., Browne, M., Rockloff, M., & Myers, P. (2021). The identification of Australian low-risk gambling limits: A comparison of gambling-related harm measures. *Journal of Behavioral Addictions*, 10(1), 21-34.

<sup>20</sup> Wood, R. T., Wohl, M. J., Tabri, N., & Philander, K. (2017). Measuring responsible gambling amongst players: Development of the Positive Play Scale. *Frontiers in psychology*, 8, 227.

<sup>21</sup> Delfabbro, P., King, D. L., & Georgiou, N. (2020). Positive play and its relationship with gambling harms and benefits, *Journal of Behavioral Addictions*, 9(2), 363-370. <https://akjournals.com/view/journals/2006/9/2/article-p363.xml>

<sup>22</sup> Data.ai (2022). More Than Luck: Social Casino Games Bring Connection. <https://dataai.infogram.com/1pw07y3j73pln7cv2n0p5vn9xyak2xx755>



Research by Professor Gainsbury and colleagues with Australian gamers reported that gambling-themed games were somewhat similar to gambling in terms of look (66.6% somewhat, 18.4% very similar, 15% not at all) and general experience (58% somewhat, 13.6% very similar, 28.4% not at all), and had similar levels of excitement (50.7%) or were not as exciting (41.8%) when winning in gambling (7.5% more exciting). Those who reported having gambled because of gambling-themed games were significantly more likely to report that the games were similar to gambling in look, feel, and level of excitement when winning, suggesting that the gambling-theme is highly impactful for a sub-population of users.

Interviews confirmed that some Australians reported playing gambling-themed games led them to gamble in the hopes of winning real-money prizes<sup>23</sup>. *For some users with gambling problems, social casino games acted as a trigger and exacerbated gambling*, and at least one participant attributed their gambling and associated problems to earlier gambling-themed gaming experiences.

*Gambling-themed games have inflated payout rates, making it likely that individuals will therefore overestimate their chances of winning when they are gambling.* In a study of 521 Australian adults, almost one-fifth (19.4%) of gambling-themed game users reported that they had gambled for real money as a result of playing the game and among these, 49.5% reported that their gambling had increased as a result of the games<sup>24</sup>. Those who had migrated to gambling were more likely to be male, younger, or speak a language other than English at home. *Gambling as a result of games was more common among those with higher levels of problem gambling severity and who were more involved social casino game users in terms of game play frequency and in-game payments.* A notable minority (17.9%) of gambling game users thought it was likely that their experience would increase their success at real money gambling. This suggests that gambling-themed games encourages irrational beliefs, which may exacerbate gambling, leading to financial losses.

A study with 130 Australian adolescents (12-17 years) found that 29% of those who had played gambling-themed games reported that their desire to gamble had increased and 28% reported that their gambling had increased as a result of the games. *Young people appear to be focused on the possibility of winning money gambling and it is possible that social casino games increase irrational beliefs in future success at gambling activities*<sup>25</sup>. Amongst the adolescents who reported some gambling-related harm, 29% indicated that the gambling games had contributed to these. As with adults, making in-game payments was associated with greater likelihood of reporting gambling as a result of gaming. Over twice as many respondents who had paid to play had gambled as a result of these games compared to those who had not made in-game transactions (85% vs. 42%)<sup>26</sup>.

<sup>23</sup> Gainsbury, S., Hing, N., Delfabbro, P., Dewar, G., & King, D. (2015). An exploratory study of interrelationships between social casino gaming, gambling, and problem gambling. *International Journal of Mental Health and Addiction*, 13(1), 136-153. Doi: 10.1007/s11469-014-9526-x

<sup>24</sup> Gainsbury, S. M., Russell, A. M. T., King, D. L., Delfabbro, P., & Hing, N. (2016). Migration from social casino games to gambling: Motivations and characteristics of gamers who gamble. *Computers in Human Behavior*, 63, 59-67. <https://doi.org/10.1016/j.chb.2016.05.021>

<sup>25</sup> Gainsbury, S., King, D., Delfabbro, P., Hing, N., Russell, A., Blaszczyński, A., & Derevensky, J. (2015). *The use of social media in gambling*. Gambling Research Australia. <https://www.gamblingresearch.org.au/sites/default/files/2019-09/The%20use%20of%20social%20media%20in%20gambling%20.pdf>

<sup>26</sup> King, D. L., Russell, A., Gainsbury, S., Delfabbro, P. H., & Hing, N. (2016). The cost of virtual wins: An examination of gambling-related risks in youth who spend money on social casino games. *Journal of Behavioral Addictions*, 5(3), 401-409.



*The impact of gambling-themed games on adolescents may be compounded by advertisements for these games, which are typically unrestricted* including based on age. Our analysis of online game advertisements viewed by Australian young adults found that these often contained imagery likely to appeal to children and adolescents, including cartoon images, graphics of children or young people, animal characters<sup>27</sup>. The message themes glorified gambling, focused on winning and money, provided an easy entry path (e.g., offers of free chips and bonuses, calls to ‘play now’) and encouraged engagement with the gambling-themed games. Youth are highly receptive to messages within advertisements and can be targeted by game companies without restriction.

More research is unquestionably needed to further unpack the relationship between gaming and gambling and related online behaviour addictions. Research that includes longitudinal components and assess directionality and causation of engagement and problems will inform on the dynamic interactions between these activities and related harms. Nonetheless, *there is merit in increased regulatory scrutiny where possible of games as consumer products that may be predatory and/or lead to harmful and addictive use*. Efforts are needed to protect vulnerable consumer groups with limited ability to make informed choices, including children and adolescents. This may include educational strategies targeting parents, young people, and professionals working with youth, consumer protection measures within games, and revised age ratings for gambling content and in-game purchasing. Predatory practices and marketing targeting youth should be considered by policy makers and whether stricter codes of conduct are needed for games, particularly as the understanding of the etiology of gaming addiction progresses.

Gaming disorder and gambling disorder are related, but distinct conditions

*Although gaming disorder is considered a behavioural addiction, as is gambling disorder, these conditions do not have the same underpinning mechanisms or causal pathways*. Professor Gainsbury has worked with international colleagues to investigate the relationship between online gambling and gaming disorders (in addition to other potentially problematic online behaviours). In a study based on a representative sample of Swiss young men (n=3,404)<sup>28</sup>, network analyses identified distinct clusters of conditions suggesting that online addictions are independent constructs. A subsequent study in an Australian community sample (1,617)<sup>29</sup> found a significant but small relationship between problematic online gambling and problematic online gaming (7.8% overlap), and other online activities (see

Figure 2 **Network of problematic online behavior** However, this was likely related to the similarity in items that define each problematic set of behaviours with the actual behaviours being relatively independent and occurring as distinct entities rather than overlapping.

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<sup>27</sup> Abarbanel, B., Gainsbury, S.M., King, D.L., Hing, N., & Delfabbro, P.H. (2017). Gambling Games on Social Platforms: How Do Advertisements for Social Casino Games Target Young Adults? *Policy & Internet*, 9, 184-209.

<sup>28</sup> Baggio, S., Starcevic, V., Studer, J., Simon, O., Gainsbury, S. M., Gmel, G., & Billieux, J. (2018). Technology-mediated addictive behaviors constitute a spectrum of related yet distinct conditions: A network perspective. *Psychology of Addictive Behaviors*, 32(5), 564–572. <https://doi.org/10.1037/adb0000379>

<sup>29</sup> Baggio, S., Starcevic, V., Billieux, J., King, D. L., Gainsbury, S. M., Eslick, G. D., & Berle, D. (2022). Testing the spectrum hypothesis of problematic online behaviors: A network analysis approach. *Addictive behaviors*, 135, 107451. <https://doi.org/10.1016/j.addbeh.2022.107451>



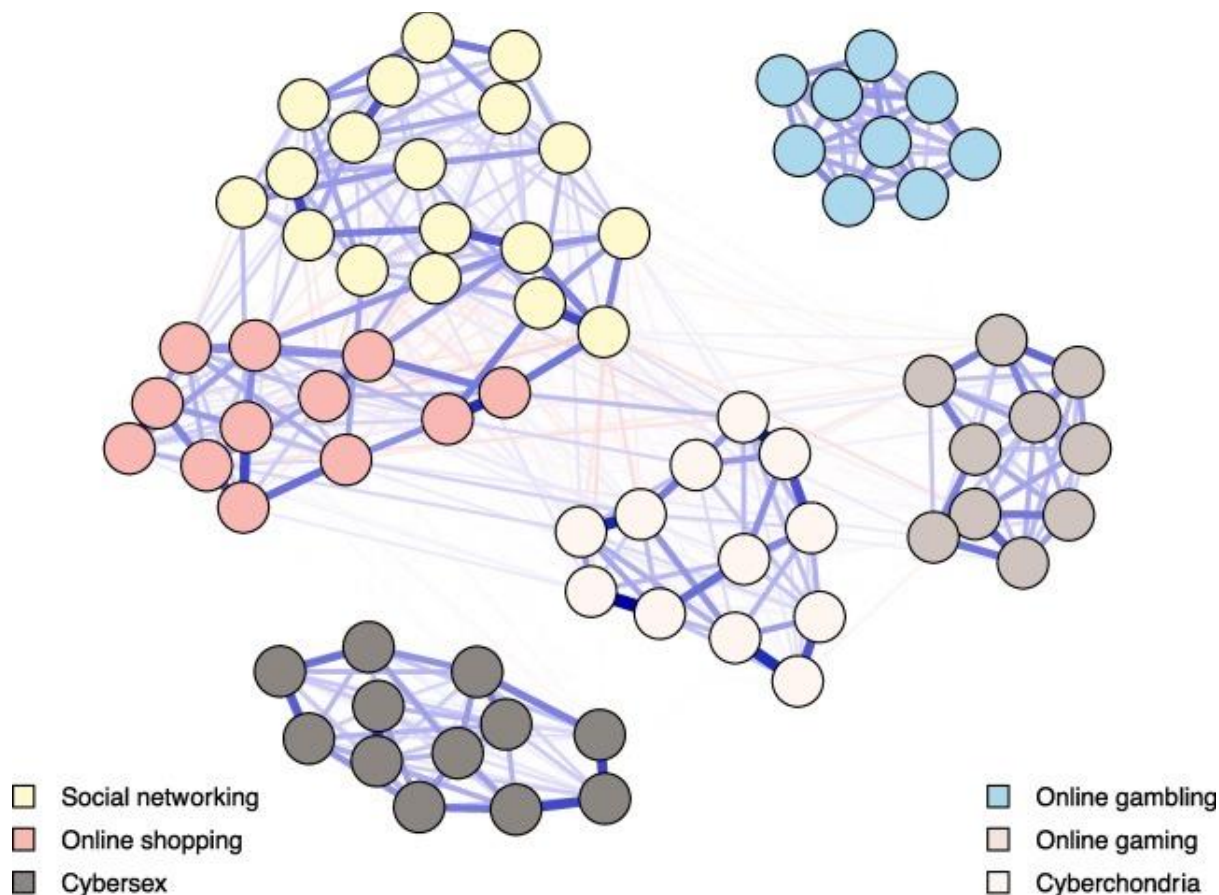


Figure 2 Network of problematic online behaviors (Baggio et al., 2022)

There is growing research on the factors which could contribute to problematic online gaming, and there are similarities with risk factors for problematic online gambling. Mental health disorders and the experience of psychological distress are known to be comorbid with gaming disorder, although most evidence for this is based on cross-sectional studies that do not indicate the direction of causality. A recently published article by Professor Gainsbury and colleagues<sup>30</sup> at the University of Sydney Matilda Centre for Research in Mental Health and Substance Use analysed a longitudinal dataset with a 12-month follow-up of 4,968 Australian adolescents (ages 13-14) during the COVID-19 pandemic. Prevalence rates for gaming disorder in adolescents aged 13 and 14 were 15% and 16%, respectively. The regression models indicated a bidirectional relationship between anxiety and gaming disorder symptoms, where higher levels of anxiety were associated with higher levels of gaming disorder 12 months later and vice versa. The study also found that the interaction between anxiety and higher gaming frequency could predict gaming disorder symptoms. Overall, the findings suggest that young adolescents may be more vulnerable to developing gaming disorder and highlight the importance of addressing the interactions between risk factors and gaming disorder in treatment approaches. *As mental health disorders are highly comorbid among people with gambling problems, further efforts to address mental health in general will likely have a beneficial impact on the experience of online gambling and online gaming harms.*

<sup>30</sup> Kim, S., Champion, K. E., Gardner, L. A., Teesson, M., Newton, N. C., & Gainsbury, S. M. (2022). The directionality of anxiety and gaming disorder: An exploratory analysis of longitudinal data from an Australian youth population. *Frontiers in Psychiatry*, 13. <https://www.frontiersin.org/articles/10.3389/fpsy.2022.1043490>



Our treatment is funded for gambling only and we are not able to see clients who present with gaming problems alone, nor clients under the age of 18 years of age. Only one client out of the 1129 that presented to the clinic since July 2021 noted that loot boxes were an activity that was causing them harm. Nonetheless, despite not offering gaming treatment, we are still contacted by individuals and family members seeking assistance and help for gaming-related problems. This likely reflects the lack of relevant and available services to assist people with gaming problems. Most clinicians, counsellors and help services (including those who specialise in mental health for young people) do not have appropriate training or experience to provide specialised assistance for problems related to gaming.

Consumer protection tools may reduce the risk of games leading to gambling and causing harms

There is limited research to indicate what tools, resources, and policies may reduce harms stemming from gambling-themed games in relation to gambling problems. Nonetheless, policies should be considered, particularly in relation to young people. *Gaming harm reduction resources and tools could be developed based on those currently in place to reduce gambling* including:

- Voluntary limits on daily/weekly/monthly monetary expenditure
- Voluntary limits on daily/weekly/monthly time expenditure
- Clear and meaningful summaries of play history, including time and money spent, and what was purchased with money spent in-game.
- Information about the signs of excessive and problematic gaming and hyperlinks to information and help for gaming problems.
- Self-exclusion from games.
- Options to temporarily or permanently turn off the ability to make in-play purchases and prompts for these.
- Pop-up messages to automatically alert players when they have been playing continuously for 60 minutes, re-occurring every 30 minutes after this time.

We note that these are focussed on mechanisms of action which are similar to problematic online gambling, and do not address the broader and distinct mechanisms of online gaming problems.

Additionally, efforts could be directed to developing *warnings and informative/educative messaging regarding the risks of playing gambling-themed games and to clarify that these do not accurately resemble gambling and have varying and inflated payout rates*. Greater efforts are needed to *enhance transparency*, for example, the chance of winning prizes particularly when there are payments required (e.g., loot boxes).

Games that include substantial gambling elements, themes, imagery, and language could clearly state this upfront prior to download, including warnings that the games are not suitable for children. *Establishing and enforcing a minimal age* to play gambling-themed games would demonstrate that these games are not intended for young children and may reduce related harms. Additionally, advertising could only target potential customers above an appropriate age. Furthermore, given the apparent association between micro-transactions and migration to gambling as well as gaming problems, *in-game payments could be limited to customers over 18 years of age*. A more rigorous limit would be to prevent payments from those aged under 25



years, which may provide protection for those who have falsified their birthdate by a few years to gain early access to social networking sites.

Educational campaigns aimed specifically at parents may be useful to alert them to the availability of games and sites with gambling content that are available through social media and the potential impact of these on young people. These may encourage parents to discuss these games and themes with their children or engage in monitoring to prevent or minimize use of these activities where appropriate.

#### [6] The appropriateness of current gambling regulations in light of emerging technologies, payment options and products

No comment at this time, however, we are happy to provide more information on our extensive research into the use of cashless payments.

#### [7] The effectiveness of protections against illegal online gambling services, including casino style gambling such as online blackjack and slot machines

We believe that greater education to the general community about how such sites are illegal and unregulated would serve to mitigate risk of harm such sites pose to the Australian community.

#### [8] the effectiveness of current gambling advertising restrictions on limiting children's exposure to gambling products and services (e.g. promotion of betting odds during live sport broadcasts), including consideration of the impact of advertising through social media, sponsorship or branding from online licenced gambling operators, and any other related matters

Dr Hunt wishes to note that he has made previous submissions on this question to the previous Joint Select Committee Inquiry into the advertising and promotion of gambling services in sport<sup>31</sup>. In his submission (2013), he argued how *a limited ban on gambling advertising that covers sports broadcasts was highly unlikely to be effective, given the plethora of other ways in which advertising of sports betting is likely to impact vulnerable individuals* (notably children and teenagers, and those struggling with a gambling problem). The substance of that argument remains valid today. The current bans on advertising are ineffective, given that they only apply to events broadcast before 8:30pm, do not cover gambling sponsorship, and do not cover breaks in play. From clinical and research evidence, it is clear that most gambling-related attitudes and behaviours are formed during teenage years. This is where gambling advertising has the most potential to be harmful. Gambling advertising is often clearly designed to send the (false) message that wagering on horses and sports is a fun way for someone to make money, which is a key erroneous cognition that has the potential to lead to gambling harm. Furthermore, teenagers are unlikely to be exposed to any impactful counter-messaging on this point. It is naïve to assume that most teenagers are not watching sports after 8:30pm, are not impacted by seeing their favourite players wearing uniforms branded with gambling company branding, and that they do not see advertising that occurs during breaks in play. Thus, the current advertising limitations are unlikely to provide any protection to this vulnerable group.

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<sup>31</sup> <https://www.aph.gov.au/DocumentStore.ashx?id=b09224d7-988b-4b34-af59-cb81143698de>



As Dr Hunt further argued in a report from 2017<sup>32</sup>, those wanting to cut down their gambling report that constant exposure to gambling advertising makes it increasingly to “switch-off” from gambling. *The current limited advertising bans are ineffective at helping those who wish to cut down gambling but still retain an interest in sport, as they are likely to be continually exposed to gambling advertising and sponsorship.* Dr Hunt’s 2017 report also argues, based on evidence from around the world regarding the banning of tobacco advertising, that any ban would need to be wide-ranging to be effective. We would therefore argue that the current, very limited advertising bans around wagering advertising in sport are ineffective, and we would advocate for more wide-ranging bans, including bans or restrictions on sponsorship, that would be necessary for any such bans to have any impact.

We frequently hear anecdotal reports of the difficulties created by advertisements and promotions. This includes direct marketing (i.e., emails, SMS), targeted marketing (e.g., via social media), and broad marketing (e.g., television, online ads). Marketing is highly impactful on people struggling to control their gambling and often leads people to gamble more than they intended, including when people are trying to stop or reduce their gambling. *We recommend creating resources to assist people to control their exposure to marketing as much as possible.* This should provide clear instructions on how to manage marketing on social media, how to opt-out/unsubscribe from account-based gambling, and how to use ad-blockers. An example of this can be seen from the UK charity GambleAware: <https://www.begambleaware.org/limiting-gambling-ads-online>

*We further recommend that directed marketing be reduced for customers with online gambling accounts.* Research should investigate whether certain groups would benefit from defaults to have marketing turned off, unless they specifically opt-in; for example, young men as this group are known to be at higher risk of experiencing gambling harms and individuals who have engaged with restriction consumer protection tools (e.g., temporary time-outs, account closure) as this behaviour indicates a perceived need for external assistance to control their gambling. Online gambling operators could be required to monitor accounts and identify risky behaviours and automatically turn-off marketing and promotions for those accounts flagged as being at-risk for gambling harms. Non-active accounts (i.e., those with no bets placed in the past 30 days), should have marketing turned-off as many people who are trying to avoid gambling may be triggered to gamble by unsolicited offers and inducements sent directly to them.

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<sup>32</sup> <https://theconversation.com/wide-ranging-ban-on-gambling-ads-during-sport-broadcasts-is-needed-to-tackle-problem-gambling-74687>