



Sportsbet Pty Ltd

Submission to the Joint Select Committee
on Gambling Reform

**Inquiry into the prevention and treatment of
problem gambling**

30 March 2012

Introduction

Sportsbet is committed to promoting responsible gambling and therefore, supports this inquiry and moves by governments to better understand drivers of problem gambling behaviour, measures to prevent and treat instances of problem gambling and the most effective methods to undertake research into problem gambling.

As an online wagering operator which is licensed in the Northern Territory, Sportsbet already has in place sophisticated and effective responsible gambling harm minimisation measures.

This submission outlines those measures and proposes other mechanisms which we believe should be introduced to further strengthen the protection mechanisms for customers.

About Sportsbet

Sportsbet is Australia's largest online corporate bookmaker, with over one million customers and an estimated 20 per cent of the Australian online wagering market. Sportsbet is licensed in the Northern Territory and is 100 per cent owned by Paddy Power plc, which is publicly listed on both the Ireland and London stock exchanges. Sportsbet's principal site is www.sportsbet.com.au, while we also operate www.IASbet.com.

Sportsbet's Extensive Harm Minimisation Measures

Sportsbet is highly committed to promoting responsible gambling and has implemented a Responsible Gambling Code of Conduct, which is continually reviewed to assist customers with difficulties that may arise from problem gambling.

The Responsible Gambling Code of Conduct allows customers to set a deposit limit (voluntary pre-commitment) and to suspend or exclude themselves from placing a bet with Sportsbet. If a deposit limit is set by the customer, that is the maximum amount that can be deposited into their betting account for the nominated period (day, week, month). Any deposits that are made that may cause the limit to be exceeded, in whole or part thereof, will be denied.

Members can suspend their accounts and exclude themselves from placing a bet with Sportsbet for a period they prescribe of up to five years. The suspension/exclusion process includes provides the relevant customers with information regarding available problem gambling counselling and assistance services. Customers are not able to remove or void any suspension once it is in place. If the customer attempts to set up an alternative account, system controls exist to highlight this and prevent the second account being activated. In addition, if a customer self-excludes themselves from one of the websites which Sportsbet operates, system controls will prevent them joining the other website while the self-exclusion is in force. Following the expiry of the self-exclusion period, customers must provide written authority to reactivate their account; access is not automatically granted.

Sportsbet has extensive identity verification processes in place which involve doing everything practical to ensure its customers are all over the age of 18. This process utilises the “100 points” of identification process which is common in financial and other institutions in Australia.

Additional Measures to Strengthen Harm Minimisation

National Gambling Council

Sportsbet is supportive of the establishment of a National Gambling Council which would have the following key responsibilities:

- Establishment of a national set of harm minimisation standards covering responsible gambling, advertising, licensing requirements, and probity standards. State and Territory-based regulators would then work within this framework;
- Undertake a comprehensive and robust Annual National Problem Gambling Prevalence Survey to:
 - assess the impact of the growth in online gambling on the prevalence of problem gambling;
 - determine the impact on youth of the prominence of gambling services on social media channels such as Facebook and Twitter;
 - research the most effective forms of harm minimisation for use by gambling service providers, governments, the community and counselling services;
- Establish a comprehensive education program for use in schools and the broader community which is focused on educating individuals about the how to gamble responsibly;
- Monitor compliance with the national regulatory framework including monitoring against a proposed National Problem Gambler Register (see below); and
- Monitor for and prosecute unlicensed overseas gambling operators who advertise in the Australian media.

National Problem Gambler Register

Currently, Sportsbet’s customers have the ability to self-exclude or set deposit limits (voluntary pre-commitment) so that they may appropriately control their wagering activity. However these limits and exclusions are only effective in limiting and preventing wagering on Sportsbet’s two websites. No other gambling provider has access to this information and so the customer is free to gamble elsewhere free of these self-imposed restrictions.

Sportsbet believes that a National Problem Gambler Register should be established. Any customer who self excludes or sets limits on their activity with a licensed Australian gambling operator would be recorded on this register. All gambling operators would then be required to check new customer applications against this register and also periodically check their existing customer database against this register. Any identity matches would result in a rejection of new application or suspension of an existing account. All licensed operators would be required to have IT systems with adequate sophistication to enforce this process.

This mechanism is currently used in conjunction with a number of sporting bodies where there is a requirement for wagering operators to exclude anyone considered an “insider” in relation to a particular sporting contest (players, officials, etc) from placing a bet on that sport.

Account-Based Betting

A National Problem Gambling Register would only be a truly effective harm minimisation measure if all wagering and gambling activity was account-based and anonymous cash wagering was abolished.

Sportsbet believes that all wagering in Australia should be account-based and that there should be no anonymous cash-based wagering. Ensuring all wagering is account-based means that the identity of every customer is known (due to 100-point identification checks) and will ensure that all those who gamble are over 18. It would also facilitate measures currently being assessed to ensure the integrity of sport in Australia.