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Fifth Tasmanian Gambling Study  
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**Fifth Social and Economic Impact Study of Gambling in Tasmania  
Discussion Paper**

**Submission of Responsible Wagering Australia**

Responsible Wagering Australia (RWA) is the independent peak-body for the Australian-licensed online wagering industry. Our members include Australia's leading wagering service providers (WSPs), bet365, Betfair, GVC Australia, Sportsbet and Unibet.

**State of Online Wagering in Tasmania**

Revenue

RWA members operate in Tasmania, meeting state regulatory and taxation requirements including the Point of Consumption Tax introduced on 1 January 2020.

Online wagering in Tasmania is a highly regulated and taxed industry. Revenue received by RWA members from online wagering in Tasmania only accounts for 3% of national revenue.

Despite this, 22% of all revenue received from bets placed in Tasmania is paid as tax. This puts highly regulated Australian-licensed online wagering providers at a significant disadvantage to illegal offshore gambling websites that pay no tax at all.

Page 2 of the discussion paper states that "The high spend for the Northern Territory can be attributed to the online racing and sports betting wagering providers concentrating in the Territory due to favourable taxation arrangements". Similarly, the research cited by the paper claims that the government tax rate on wagering services in the NT sits at 6%.

These claims are misleading in the context of online wagering. Revenue received by RWA members from NT operations only accounts for 1% of the national total.

COVID-19

The COVID-19 pandemic has had a limited effect on overall gambling volumes, although there has been some increase in online wagering following all over-the-counter betting and gambling outlets closing through COVID restrictions. This saw consumers migrating to online platforms, as with nearly every retail business in the country.

Furthermore, analysis of a survey conducted by the University of Sydney in August 2020 found nearly three-quarters of people gambled less frequently during the COVID-19

shutdown.<sup>1</sup> The same analysis also found that most participants previously reporting gambling problems indicated that these problems had decreased since the COVID shutdown.

Critically, the University of Sydney research established that 60% of survey participants that reported past-year gambling problems indicated that such problems had decreased in severity during the shutdown.

Similar research conducted by the Australian Institute of Criminology also found that only 10% of those surveyed had increased their frequency of online gambling in March 2020, whilst 14% had decreased their participation. Furthermore, 60% of those surveyed who had placed bets in February 2020 decreased their wagering frequency in March compared to the first two months of the year.<sup>2</sup>

### Illegal offshore gambling websites deliberately targeting Australian consumers

A significant potential harm to Tasmanians participating in regulated recreational wagering is the presence of illegal overseas online gambling sites. Illegal online platforms entice Australian consumers by offering products prohibited in the Tasmanian market, such as in-play betting on sport. They pay no Tasmanian or federal taxes and make no contribution to the domestic sports and racing industry, nor do they share integrity information with sports and racing bodies.

All customers betting with licensed Australian online providers must have verified accounts and this is supported by a range of effective responsible gambling measures, such as deposit limits, time-outs, detailed activity statements and self-exclusion. Illegal offshore websites provide none of these consumer protections.

UK analysts H2 *Gambling Capital* determined that \$1.016 billion is spent by Australians annually on illegal overseas gambling websites, forgoing over \$360 million in federal and state taxes. These sites remain a fundamental threat to consumer safety and responsible gambling.

### National Consumer Protection Framework

The online wagering market in Australia is one of the most tightly regulated globally and provides Australians with unparalleled consumer protections. These protections have been further strengthened by the development of a National Consumer Protection Framework (NCPF) for Online Wagering agreed to by the Commonwealth, and state and territory governments.

RWA remains a strong advocate for the NCPF. The NCPF agreement resulted in ten new world-leading measures, which once fully implemented, will firm Australia's place as the global leader in protecting online wagering consumers.

The NCPF measures include:

- Prohibition of lines of credit being offered by wagering service providers.
- Prohibition of links between wagering and payday lending.

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<sup>1</sup> <https://www.sydney.edu.au/content/dam/corporate/documents/brain-and-mind-centre/usyd-covid-gambling-research-report-aug-2020.pdf>

<sup>2</sup> Brown R & Hickman A 2020. Changes in online gambling during the COVID-19 pandemic. Statistical Bulletin no. 25. Canberra: Australian Institute of Criminology. <https://www.aic.gov.au/publications/sb/sb25>

- Strengthened customer age and identity verification procedures.
- Restrictions on inducements, including a ban on account sign-up offers.
- Simpler account closure procedures.
- Voluntary opt-out pre-commitment (i.e. the mandatory ability to set a deposit limit).
- Activity statements.
- More consistent responsible gambling messaging.
- Staff training in the provision of responsible gambling online.
- A National Self-Exclusion Register.

RWA is committed to working with governments at all levels to implement these measures and achieve national harmonisation.



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