

# **Ministers Meeting on Illegal Offshore Wagering Reform**

## **Friday, 28 April 2017**

### **Communiqué**

#### **Melbourne**

Commonwealth and state and territory ministers met yesterday to progress important reforms to online wagering.

At their second meeting, ministers reaffirmed their commitment to ensuring greater protection for Australians gambling online and to the establishment of a strong, consistent and best-practice National Consumer Protection Framework (Framework).

#### ***National Collaborative Gambling Research Model***

Ministers agreed to continue collaboration on national gambling research through a new partnership agreement. This will commence on 1 July 2017 with governments committing funding of up to \$3 million over three years.

This will be similar to the former Gambling Research Australia model, and a working group has been established to finalise the agreement, with secretariat support provided by the New South Wales Government.

Ministers noted that a governance committee will be established to help form the research agenda, which will encompass issues of national significance and be focused on the needs of governments.

#### ***National Consumer Protection Framework***

Overall ministers agreed in-principle to the measures to be included in the National Consumer Protection Framework for online wagering.

Ministers also agreed to the scope of the Framework to apply broadly to include all forms of online and telephone wagering services.

Ministers agreed in-principle to details underpinning each measure of the Framework, as agreed at the 25 November 2016 meeting, and a set of actions and timelines for implementing them.

These measures will be based on best-practice and will be regularly reviewed and updated over time.

As part of the suite of protections, governments agreed to take stronger action to ban lines of credit being offered by online wagering providers, require the first-ever national self-exclusion register for online wagering, and implement a voluntary opt-out pre-commitment scheme.

Together, the 11 measures (which includes the new Gambling Research Australia model), will introduce the largest package of online wagering reforms ever progressed in Australia.

The detailed principles agreed for each measure are:

*A national self-exclusion register for online wagering*

Ministers agreed that a national self-exclusion register for online wagering should be:

- quick and simple to apply to and take immediate effect, with one single point of contact for consumers to exclude from as many or all providers as they choose
- offered across all phone and web-based digital platforms
- effectively promoted so consumers are educated about self-exclusion and aware of the scheme and
- industry-funded.

Additional features to the self-exclusion register agreed include:

- consumer choice being integral to this system, where consumers should be able to choose when and for how long they wish to self-exclude
- it being mandatory to provide information on problem gambling support services and counselling at the point in time a consumer nominates to self-exclude
- it being mandatory to require a cooling-off period for consumers to revoke self-exclusion
- providers being prohibited to provide any marketing and/or promotional material during the period of self-exclusion
- all funds held in active accounts will be returned to the excluded consumer once all wagers/bets are settled, and then the account to be closed
- a consumer who nominates for permanent/lifetime self-exclusion having their account permanently closed and
- consumers being required to actively approach the wagering provider to reactivate their wagering account with tight prohibitions on providers around encouraging consumers to resume their wagering through marketing or promotion.

Ministers committed to agree implementation details by September 2017.

*A voluntary opt-out pre-commitment scheme for online wagering*

Ministers agreed that a voluntary opt-out pre-commitment scheme for online wagering should be:

- provided at the individual wagering provider level and
- easily accessible and effectively promoted to consumers.

It was also agreed that:

- it should be mandatory for providers to provide a range of options to set and adjust limits to allow for consumer choice including net deposit limits, loss limits and spend limits
- limits should be binding

- decreasing of limits should apply immediately, with a cooling-off period for limit increases being seven days
- all consumers should be prompted to set and review pre-commitment limits at regular intervals, possibly every year, including to consumers who have chosen not to set a limit
- options should be available for the consumer to determine the time period for their limit, including daily, weekly, fortnightly and monthly
- messaging should be provided to consumers advising them of when their limits have been reached, and at various other intervals prior (for example, at 50 per cent and 85 per cent of their limit)
- limit setting can be accessed online, using a mobile application, over the phone, and using a written form
- providers will be required to offer the choice to set a pre-commitment limit at least every 12 months, to every account holder who has chosen not to set up a pre-commitment limit and
- the availability of the scheme should be promoted beyond initial account sign-up, with education and awareness of the scheme shown on a provider's website and in promotional material.

It was also agreed that terminology used around this measure was important and the use of clear and positive language would likely increase the use of the scheme, with trialling and testing of terminology and features to occur in the second half of 2017.

Ministers also agreed to implement this measure by the end of 2017, subject to consultation with providers.

#### *Prohibition of lines of credit being offered by online wagering providers*

Ministers agreed that:

- the use of credit offered by online wagering providers should be prohibited
- an exemption for on-course bookmakers for phone based and in-person betting only. This exemption was proposed as it was recognised that on-course bookmakers have a different business model to the large corporate bookmakers, and that they are also subject to unique licensing conditions under state and territory legislation and
- other exemptions may be considered following further consultation with stakeholders.

#### *Ensure offering of inducements is consistent with responsible gambling*

Ministers discussed prohibitions in relation to offering inducements for online wagering. Ministers agreed that further work would be undertaken in relation to a minimum standard for a ban on inducements, noting that some states already ban all inducements.

Ministers agreed the detail of precise minimum standards will be determined by July 2017.

#### *Provision of activity statements on demand and on a regular basis*

Ministers agreed that wagering providers would be required to provide activity statements for online wagering which:

- clearly articulate the net win/loss for the specified period

- are provided to consumers on demand and on a regular basis (every quarter)
- are free of charge and easily accessible at all times
- provide links to other consumer protection tools and pathways
- prompt consumers to elect a preferred delivery method for activity statements on sign-up to account
- are available through multiple methods, including being pushed out to consumers via mobile applications or email, as well as mailed by post or through facsimile – providing direct access to the statement
- link with pre-commitment information where applicable and
- provide practical information that is clear and not complex.

It was agreed that the detail around the information to be included and the format of activity statements would be tested.

Ministers agreed to implement this measure through amendments to state licensing agreements, or other state-based mechanism, by the end of 2017.

#### More consistent responsible gambling messaging

Ministers agreed that:

- the Framework will mandate a national standard based on evidence for responsible gambling messaging relevant to online wagering.
- responsible gambling messages should be easily understood and accessible to a wide range of groups across Australia and should therefore be designed in consideration of the jurisdiction in which they are displayed and
- terminology of messaging is crucial to their effectiveness as a consumer protection measure, and messages should be designed in collaboration with experts (harnessing new and existing research).

The detail around the messaging used, including format, style, consistency and imagery will be tested and further researched to ensure their effectiveness as a consumer protection measure.

Ministers also agreed that further research would be undertaken into the effectiveness of the current Gambling Help Online service. Ministers also acknowledged the importance of online counselling and support services.

#### Staff training in the responsible conduct of gambling

Subject to consultation and further work by senior officials, ministers agreed in-principle that:

- under the Framework, all staff who are involved in the provision of wagering services, or who have the capacity to influence the wagering service, must undertake responsible services of gambling training, to create a culture of responsible gambling within the organisation
- this will be done through approved training providers to ensure high-quality of training and consistency of training delivered

- regulators would approve the content of the training including key minimum learning objectives and
- training should occur within three months of commencing employment as a minimum standard, with frequent refresher courses.

Ministers agreed this should be included in state licensing arrangements, or other state-based mechanism, by the end of 2017.

#### Reducing the current 90-day verification timeframe for customer verification

Ministers agreed to reduce the current customer verification period to 21 days (or a lesser period) for online wagering across all jurisdictions. This will be tested with industry. Ministers acknowledged that the verification process is an important consumer protection tool, and is critical to restricting access to online gambling by underage consumers and for those self-excluded consumers.

#### Prohibiting links between online wagering providers and payday lenders

Ministers agreed there will be a prohibition on advertising or direct marketing of small amount credit contract providers (payday lenders) on online wagering providers' websites.

In addition to this, there will also be a prohibition on online providers from referring consumers to credit organisations to finance wagering activity and providing consumer information to payday lenders.

Ministers further agreed to explore whether this ban should extend to affiliated organisations of wagering providers.

The Commonwealth will implement these requirements by the end of 2017.

#### Greater national consistency in advertising of online wagering services

Ministers agreed that the current level of gambling advertising is not liked or desired by the broader community.

Ministers noted the Commonwealth Government is actively considering this issue.

#### Other issues

Ministers also noted work being undertaken by Commonwealth and state and territory Treasurers on a national wagering tax.