



Australian Government

Australian Government response to the Australian Communications
and Media Authority (ACMA)'s report:

Review of Part 2B of the Interactive Gambling Act 2001 Credit
Betting Provisions

November 2021

Introduction

The Australian Communications and Media Authority (ACMA) was required by section 15G of the *Interactive Gambling Act 2001* (IGA) to review the operation of Part 2B of the IGA (Credit Betting Prohibitions). Section 15G (4) required the Minister for Communications, Urban Infrastructure, Cities and the Arts to table this review in each House of the Parliament within 15 sitting days of that House after the Minister receives the report. The Minister received the report on 17 August 2021. The report was tabled in the House of Representatives on 25 October 2021 and will be tabled in the Senate during the November 2021 sittings.

Credit Betting Prohibitions are part of Government's commitment for safer online gambling

The Australian Government welcomes the report and recognises the issues raised are of great interest to many Australians. The Government is committed to ensuring online gambling takes place under a robust legislative framework with strong consumer protections.

The Credit Betting Prohibitions ban interactive wagering operators from providing credit to Australian customers or facilitating the provision of credit via third parties. The intent of these measures is to reduce the risk that the availability of credit may present to individuals who gamble beyond their capacity to pay.

The Credit Betting Prohibitions were implemented as part of the National Consumer Protection Framework for online wagering (National Framework). The National Framework sets out ten nationally consistent minimum protection measures for consumers of interactive wagering services licensed in Australia. Six of the ten measures have been fully implemented, including voluntary pre-commitment deposit limits for customers; a reduction in customer verification timeframes; and restrictions around the offering of betting inducements.

The Government is working with states and territories to implement the remaining measures under the National Framework, including the establishment of a National Self-Exclusion Register for online wagering (Register). The Register will allow individuals to exclude themselves from all interactive wagering services via a simple online registration process. It is aimed at individuals who are at risk of, or already experiencing significant levels of harm from online wagering. Trialling of the Register has commenced ahead of an anticipated launch in mid-2022.

ACMA's report has found the Credit Betting Prohibitions are operating effectively

ACMA's review focussed on the operational effectiveness and efficiency of the Credit Betting Prohibitions, taking into account the objects intended by the Parliament in amending the IGA. In particular, ACMA looked at whether the provisions could be simpler, clearer or easier to understand or enforce.

ACMA's review found that the Credit Betting Prohibitions are generally operating effectively. However, the review makes a number of recommendations aimed at further supporting the harm minimisation objectives of the IGA and assisting with the enforcement of the prohibitions.

These recommendations are:

- **Recommendation 1:** ACMA recommends that the definition of credit in the IGA be amended to remove the requirement to prove the existence of a contract, arrangement or understanding between the parties.
- **Recommendation 2:** ACMA recommends that the IGA be amended to require wagering operators to have received funds from a customer prior to them being available for the customer to bet with or, if funds have been transferred from a financial institution or via a payment processor, it has verified the customer has sufficient funds to cover the transfer.
- **Recommendation 3:** ACMA recommends that the IGA be amended to prohibit a wagering operator from allowing a customer to reverse a withdrawal from their betting account.
- **Recommendation 4:** ACMA recommends that the government review the necessity and effectiveness of any requirement to exempt on-course bookmakers from credit betting prohibitions
- **Recommendation 5:** ACMA recommends that the IGA be amended to prohibit wagering operators that are permitted to accept credit bets by telephone from passing through those bets, in full or part, to another wagering operator.
- **Recommendation 6:** ACMA recommends that the IGA be amended to include enforceable undertakings and remedial directions as enforcement options.

A full copy of the report is available on ACMA's website at: [Publications | ACMA](#).

Recommendations will be considered in the context of broader reforms around the provision of credit for online gambling.

The Government **notes** ACMA's recommendations.

Concerns have been raised in recent times about the use of credit cards for online gambling. On 25 March 2021, the Parliamentary Joint Committee on Corporations and Financial Services (PJCCFS) commenced an inquiry into the Regulation of the use of financial services such as credit cards and digital wallets for online gambling in Australia. The Inquiry is examining the extent of consumer detriment in using credit cards for online gambling, existing consumer protections, and regulatory approaches in other jurisdictions to restrict the use of credit cards for gambling. Submissions to the Inquiry closed on 25 June 2021.

The Government will consider the recommendations of ACMA's Review of Part 2B of the IGA, and the findings of the PJCCFS Inquiry, when determining any future reforms around the use of credit for online gambling.