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### **Submission into community consultation into online gambling in South Australia**

Thank you for the advertised opportunity to participate in this community consultation.

SACOSS is the peak body for the non-government health and community services sector representing a range of charities and community organisation working to support vulnerable and disadvantaged people in our state. Our member groups include organisations with concerns about the impact of gambling on the South Australian community, and problem gamblers use and are supported by the services of many of our member groups.

Unfortunately, in a number of IGA and other inquiries on gambling issues over the past several years SACOSS has pointed out that, despite a keen interest in the area, we have been unable to put in a substantive submission due to lack of resources. This remains the case with this submission, and we again point out that while the gambling industry has huge resources for policy and campaigning, our sector's resources are limited and often tied to service provision. There is not one full time gambling policy officer in any South Australian NGO.

We note that in 2013 the *Gaming Machines Act* was changed to mandate the establishment of a gambling advisory committee with two representatives of charitable or social welfare organisations, and also to fund a gambling advisory officer. However, despite this legislation, there has been no increase in the capacity of our sector to engage in advocacy on gambling issues. SACOSS as the peak body was never consulted about who should represent the sector on the advisory committee and there was similarly no consultation over who the gambling advisory officer should be or how that officer should relate to and engage with our sector. Sector organisations have struggled to find out who either the committee or the advisory officer are, and SACOSS has never been consulted by either the committee or an advocacy officer about gambling policy.

SACOSS does not know what if any input is planned into this community consultation from either the committee or the advisory officer, but they do not represent the sector and nor

can they provide the policy input that the sector would like to see. Unless the IGA moves to fund advocacy on behalf of those negatively impacted by gambling issues, you will continue at best to hear the stories of gamblers (which is important), but you will not get a considered professional policy and advocacy voice from the social service sector.

The need for such policy advocacy is recognised in other industries where there is a similar asymmetry of power (such as water and electricity). In those cases there is funding provided for consumer organisations. The IGA should look to funding advocacy capacity in our sector to ensure balanced input into its inquiries and processes.

That said, in relation to this public consultation, we would at least like to flag our concern at the growth of online gambling, and sportsbetting in particular. From research SACOSS was funded to undertake on state taxes, we produced the [Losing the Jackpot](#) report, which noted particular concerns about online betting over and above other gambling, including:

- Greater convenience and 24-hour access
- Ability to play when intoxicated
- Lack of player protection features on the “machines” (including the ability to bet unlimited amounts of money very quickly)
- The abstract nature of the activity as it is played alone and with “electronic” cash
- The ability to play multiple games/sites at once
- The difficulty of avoiding the “platform” (in that it is easier to avoid physical casinos or racetracks than to avoid computers and the internet)

SACOSS is concerned that these features increase the potential harm of the online gambling “product” and the results are well documented in Financial Counselling Australia’s 2015 report, *Duds, Mugs and the A-List*.

The *Losing the Jackpot* report noted that the amount of online gambling is hard to quantify – because some of it is illegal, and because it is often subsumed into other categories rather than a separate “online” category. For instance, in the Australian Gambling Statistics there would be online gambling included in the figures for lotteries, sports betting and race wagering. However, it is clear that sportsbetting – much of which is online – is increasing at a rapid rate (although from a low base by comparison with poker machines which remain the primary gambling outlet in South Australia).

Many of the revenue concerns raised in *Losing the Jackpot* around online sportsbetting have been resolved by the SA government’s introduction of a point-of-consumption wagering tax – a welcome move to close a virtual tax haven and provide some fairness for local bookmakers. However, there remains a revenue issue in that online gambling is taxed at lower rates than pokies (for a range of reasons, including arguably having greater competition and therefore a lower economic rent to be taxed), but the changing gambling mix does provide a revenue challenge to one of the state’s major tax bases.

In terms of gambling harm prevention, SACOSS’ main concerns are around the advertising and promotion of sportsbetting by online bookmakers and the lack of harm prevention measures required to prevent problem gambling losses. In relation to advertising, we are concerned about the quantity of advertising and the way it positions gambling as being a

natural (if not integral) part of enjoying sport. This is unhealthy and can only legitimise potentially dangerous betting behaviours.

While SACOSS recognises that South Australia's regulatory code does place restrictions on sportsbetting advertising (and arguably more than in most other Australian jurisdictions), we believe that more needs to be done and hope that this inquiry is a step in that direction. Similarly, we would like to see further restrictions on the size and frequency of bets to limit the amount that can be lost in a given period – either via mandatory pre-commitment or some other mechanism.

SACOSS also notes the importance of illegal gambling in any consideration of online gambling – both unlicensed online bookmaking and illegal gaming. Much of the regulation of this lies in the federal jurisdiction and in *Losing the Jackpot* we generally supported the directions of O'Farrell report (although believing a number of recommendations were weak). We are not aware of any developments or changes since then, but we hope that as part of this consultation the IGA will give some consideration to the prevalence and impact of illegal online gambling.

Again though, in all these areas we are unable to provide detail or the substantive policy input we would if we had the resources to employ a dedicated gambling policy officer to properly represent our sector. For this reason we will not be seeking to attend the planned public hearing or give further verbal evidence, but would welcome the opportunity outside of this consultation to further discuss funding for sector advocacy on gambling issues.

I can be contacted on 8305 4223 or by email at [ross@sacoss.org.au](mailto:ross@sacoss.org.au).

Yours,

A handwritten signature in black ink, appearing to be 'Ross', written in a cursive style.

CEO, SACOSS  
9 August 2018