

THE HON PAUL FLETCHER MP

Minister for Communications, Cyber Safety and the Arts

MEDIA RELEASE

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Taking action against illegal offshore gambling websites

The Morrison Government is implementing a website blocking scheme to protect Australians from illegal offshore gambling websites.

Minister for Communications, Cyber Safety and the Arts, the Hon Paul Fletcher, today announced that for the first time the Australian Communications and Media Authority (ACMA) will use its powers to work in cooperation with Australian internet service providers (ISPs) to block illegal offshore gambling websites which are prohibited services under the *Interactive Gambling Act 2001*.

This measure is the third and final component of the online gambling reforms introduced by the Government in response to the O'Farrell Review into Illegal Offshore Wagering (the O'Farrell Review).

It follows reports that Australians have experienced difficulties in withdrawing winnings and deposits from illegal offshore gambling websites.

"Illegal overseas gambling companies are preying on Australians by targeting them with misleading incentives. Consumers have no recourse to retrieve their money," Minister Fletcher said.

"Up to \$400 million is spent annually by Australians on illegal gambling websites, accounting for around \$100 million in lost tax revenue each year. Too often these offshore operators are defrauding Australians - and their websites typically provide very few – if any – harm minimisation controls," Minister Fletcher said.

"While ACMA has a range of powers to protect Australians from illegal gambling services – including issuing formal warnings and seeking civil penalty orders – it can be difficult to take direct action against faceless companies with no legal presence on our shores."

"This is an important partnership with the Communications Alliance, and I want to acknowledge industry's support. Working with ACMA, these additional measures give ISPs the ability to block illegal websites, protecting Australians and contributing to a safer online gambling environment."

Under the new measures, ACMA will investigate suspect sites and where ACMA's other enforcement actions are not feasible, refer those in breach of the *Interactive Gambling Act 2001* to ISPs to be blocked under section 313(3) of the *Telecommunications Act 1997*.

The Government took action in responding to the O'Farrell Review to help protect Australians through a safe regulated environment by:

• Empowering ACMA to impose civil penalties on offending companies, complementing

existing Australian Federal Police criminal penalties.

- Introducing other disruption measures to curb illegal offshore gambling activity, such as placing offending company directors on the Movement Alert List so any travel to Australia can be disrupted.
- Announcing the National Consumer Protection Framework for Online Wagering on 30 November 2018, providing strong and nationally consistent protections for interactive wagering customers.
- Prohibiting lines of credit being offered by wagering companies.

For more information visit: www.acma.gov.au/online-gambling-services

For a list of Australian licensed wagering service providers visit: www.acma.gov.au/theACMA/register-of-licensed-interactive-wagering-services

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Additional information:

- The Commonwealth announced a review of interactive gambling services in September 2015 conducted by the Hon Barry O'Farrell.
- The O'Farrell Review was delivered in December 2015 and the Government issued a <u>response</u> in 2016 with a series of proposed online gambling reforms.
- The Government's reforms commenced with the first stage in September 2017 with the successful passage of the *Interactive Gambling Amendment Act 2017*, which gives ACMA expanded responsibilities and new powers to enforce prohibitions against the provision or advertising of illegal interactive gambling services.
- On 30 November last year, the Government announced the <u>National Consumer Protection</u> Framework for Online Wagering, implementing the second stage of the reforms.
- The third and final stage of the reforms is the implementation of measures to allow Australian ISPs to disrupt access to illegal offshore gambling websites.