

2022 NT Wagering Operators Forum

**Monday, 28 November 2022**

**Oaks Darwin Elan Hotel, Darwin**

The Northern Territory Racing Commission (the Commission) held its bi-annual Wagering Operator's Forum (formerly known as Bookmaker's Forum) at Oaks Darwin Elan Hotel on Monday, 28 November 2022 where over 80 online NT licensed wagering operators and industry stakeholders gathered for the opportunity to discuss methods to support the growth of the industry while ensuring rigorous regulatory frameworks are in place to reduce gambling related harms. Key topics discussed included prevention and harm reduction interventions on gambling behaviours, regulatory technology in the age of big data, customer complaints and self-exclusion measures.

As the online wagering industry within the Territory continues to grow, it is important for regular participation in these forums to ensure online wagering best practice is being delivered and that the Northern Territory remains an industry leader.

To commence, Dr Richard Fejo from Larrakia Nation provided a Welcome to Country to attendees followed by The Hon. Chansey Paech MLA, Minister for Racing, Gaming and Licensing (NT) officially opening the forum for 2022.



This was followed by a brief welcome by the Chairperson of the Commission, Alastair Shields.

Throughout the course of the day, multiple keynote speakers provided presentations over a broad range of relevant topics which was followed with panels being convened to discuss the different subjects with open discussions. Below lists those keynote speakers, their presentation topics and information regarding the panel discussions.

**Philip Timney, Executive Director, Liquor, Racing and Gaming, Licensing NT within the Department of Industry, Tourism and Trade presented on the review of the *Racing and Betting Act 1983***

Mr Timney advised that the *Racing and Wagering Act* will replace the *Racing and Betting Act 1983*.

*The Racing and Wagering Act* will:

- Retain the current Commission structure to be named the Racing and Wagering Commission
- Update the criteria for membership to reflect responsibilities associated with the wagering industry
- Create a new position of Director of Racing and Wagering, which will take on some of the more administrative type roles of the Commission
- Enact a proposed levy on sports bookmaker and betting exchange profits to fund the Commission
- Improve customer protections and strengthen the provisions surrounding wagering by children

- The *Unlawful Betting Act* will be repealed, with those relevant provisions, being included in the new act in a section that deals with unlawful racing and wagering matters.

Mr Timney advised that the legislation will likely be passed in March/April 2024, with a possible start date of 1 July 2024 (potentially earlier).



**Jeremy Fenton the Executive Manager of Consumer, Consent & Numbers Branch from the Australian Communications & Media Authority (ACMA) presented on the implementation of the national register for self-exclusion known as “BetStop”**

Mr Fenton explained ACMA’s role in online gambling, which now also includes the implementation of “BetStop”, which is the new national register for self-exclusion for online gamblers. BetStop is enabled by the *Interactive Gambling Act 2021 (Cth)* and will mean gamblers can register to exclude themselves from all licensed interactive wagering services in a single step for a minimum of 3 months and up to a lifetime. This means that where someone is registered as a self-excluded individual, it will be an offence for wagering operators to:

- Provide interactive wagering services to the individual
- Open new wagering accounts for the individual
- Market directly to the individual
- Not close the wagering accounts of the individual.

Mr Fenton explained that all wagering operators must promote BetStop on their websites, apps, regulated electronic messages and on client activity statements. A customer must also be informed about BetStop when they contact the operator to discuss responsible gambling options.

Successful performance tests have already taken place, however the final stages of the security assessment are being completed before providing advice to government on commencement. BetStop will likely go live after February 2023.

#### **Open Forum Discussion - National Self-Exclusion Register, BetStop**

***An open forum discussion was facilitated by the Chairperson of the Commission, Alastair Shields as an opportunity to discuss BetStop and also the Commission’s preliminary view that there is a need to retain the current Northern Territory Self-Exclusion Register in addition to the National Self-Exclusion Register (BetStop)***

Industry had strong views on the overall effectiveness of the BetStop system, one of the concerns being the lack of BetStop’s ability to detect individuals who deliberately seek to circumvent the system by changing their personal details.

**Tania Abbotto the Chief People, Customer and Sustainability Officer from Sportsbet Pty Ltd presented on using a data driven and proactive approach for safer gambling and enjoyment of products**

Ms Abbotto acknowledged that the majority of their customers at Sportsbet bet safely and within their limits, however a very small percentage can from time to time fall into harmful behaviour. Sportsbet’s ‘Play Well’ goal for safer gambling is underpinned by 4 pillars:

1. Elevated awareness
2. Data led

3. Products and customer engagement
4. People centred.

Ms Abbotto said 'Play Well' is an ongoing commitment that focuses on Real Time Intervention (RTI). Previously, customers showing escalated playing behaviours would receive a phone call within 30 minutes post deposit from a Safer Gambling team member.

Therefore, in June 2022 Sportsbet implemented a further innovative prevention tool for RTI called the 'DeepAR'. DeepAR is a predictive modelling capability that allows intervention in real time and at the very moment customers start showing behaviour outside their normal patterns based on personalised data. The customer behaviours are based off of 3 tiered thresholds, which are deemed as:

- T1 – Consider: Marginal increased to the normal pattern of behaviour  
*Customers are suggested to reduce their deposit and set a deposit limit*
- T2 – Act: Significantly/materially above their normal pattern of behaviour  
*Customers are strongly suggested to reflect and reduce their deposit – with setting of a deposit limit being mandatory*
- T3 – Stop: Extreme outliers to their normal pattern of behaviour  
*Customers are stopped from making a deposit, their account is blocked and escalated to the Specialised 24/7 Safer Gambling team to review the account (with a focus on whether the customer is in control, can afford the amount and is it sustainable) before allowing them to play on.*

**Greg San Miguel, CEO from Law of the Jungle (RegTech Entrepreneur) provided a presentation about the benefits of using regulatory technology (RegTech) for wagering operators and how it can make marketing compliance easy, fast and reliable**

Mr San Miguel showed how RegTech, a cloud technology can help to simplify the rules, protect reputations, save time on costs and allow strong positions to be maintained with regulators. By implementing RegTech, clients will find it enables risk analysis and escalation, and it also supports triage processes ensuring risks are considered at the appropriate levels.

Mr San Miguel explained how compliance may seem like a redundant and time-consuming task for marketers, but the bottom line is that it exists to protect consumers from being misled and deceived. Compliance also protects the company brand and reputation from being tarnished and prevents devastating financial penalties from regulators. The risks of being non-compliant include losing money, losing customers and losing a good reputation.



**Panel Discussion – RegTech – Is Technology the only Sure Bet?**

***The first panel of the day convened which was made up of Tania Abbotto (Sportsbet), Cindy Bravos (Commission Member), Leo Tchia (Fraud and Compliance Manager, Puntaa), and Greg San Miguel (Law of the Jungle) and moderated by Michiel Brodie (Consultant, Addisons Lawyers). This session discussed why RegTech is crucial to the growth of the online gambling industry.***

**Lauren Levin the Director of Policy and Campaigns at Financial Counselling Australia (FCA) presented on prevention and harm reduction interventions in the gambling industry and what can be learnt from Europe and the United Kingdom**

Ms Levin provided an insight into what FCA counsellors do and also what their main concerns are when it comes to online gambling and gambling in general. Statistics from FCA were provided that amongst many concerns, 85% of Specialist Gambling Financial Counsellors are primarily concerned by online gambling in comparison to 66% being concerned about electronic gaming machines and 46% about casinos. Ms Levin provided further statistics showing common presenting problems for gambling clients with the top being clients requesting loans from family and friends, the use of payday loans and not being able to pay their rent/mortgage or afford food and essential services.

Ms Levin presented that it was shown that problem gamblers are not only harming themselves, however most clients seen by Specialist Gambling Financial Counsellors in comparison to a Generalist Financial Counsellor were more likely to be involved with intimate partner family violence, at risk of a relationship breakdown and also family members debts accruing. Ms Levin provided a deplorable static that revealed 80% of problem gamblers will talk about suicide and that 48% have already attempted suicide, with 7% successful.

Ms Levin then went on to discuss what some countries in Europe are doing to support prevention and harm reduction when it comes to the online gambling industry and problem gamblers. Such measures like controlled advertising (including affiliates), having adequate powers to regulate and fine, limiting bonuses and inducements and to prioritise keeping gambling crime free. In 2018, Paf, a Finnish company was an international first to introduce a yearly loss limit for all players, for all markets, on all forms of online gaming proving there are multiple techniques available.

**Panel Discussion – Reducing Gambling Harms**

***A second panel convened made up of Nadine Ewing (Customer Safety and Compliance Manager, Dabble Sports), Lauren Levin (Financial Counselling Australia), and Alastair Shields (Commission Chairperson) and was moderated by Pat Brown (Director, Pat Brown Legal). Important discussions explored the effects of prevention and harm reduction interventions on gambling behaviours.***

**Cindy Bravos, a Member of the Northern Territory Racing Commission gave an insight into betting disputes and complaints from a regulators point of view**



Ms Bravos began her presentation by providing some insight into the substantial growth of the industry in the Northern Territory which now has an annual turnover in excess of \$45 billion. This turnover is generated by 26 sport bookmakers and 2 betting exchange operators licensed by the Commission.

Ms Bravos discussed the difference between complaints and gambling disputes and explained that when a complaint or dispute is lodged with the Commission, it is assessed as to whether it should be investigated to determine whether the sports bookmaker or betting exchange operator has complied with the legislation, their licence conditions and any Codes of Practice. Ms Bravos advised that the

Commission will make determinations where stakes are greater than \$10,000, involve problem gambling or setting a precedent. For stakes below \$10,000 a delegate of the Commission has powers to deal with these matters unless they are unusually complex.



As at October 2022, 365 disputes were currently on foot, as opposed to 821 in 2018 and 717 in 2019. The spike in disputes lodged with the Commission in 2018 and 2019 in some way explained why the Commission is still currently determining more complex disputes that were lodged in 2020. A breakdown of the issues of disputes lodged in 2022 was provided showing the main reason at 35% was due to a bet being cancelled, followed by withdrawal of funds and responsible gambling equally at 21%.

**Daniel Lovecek, Principal from Senet Legal provided a presentation titled 'The Bowler and the Professor' about fraud and how the industry can be affected.**

Firstly, Mr Lovecek explained that fraud can cover a range of different activities and situations. The legal definition of fraud generally involves dishonestly gaining a financial advantage by deception. If convicted of the criminal offence of fraud, a person can incur a maximum penalty of 10 years imprisonment in a higher court, or 2 years if the case stays in the Local Court.

Mr Lovecek then went on to share a criminal case 'Fletcher v Azzopardi' regarding fraud in the online gaming space. Mr Stephen Fletcher and Mr Darren Azzopardi were known professional gamblers who by 2012, had their accounts with various corporate bookmakers closed or restricted. A Police Integrity Commission found past and present officers were paid to provide their details to open online gambling accounts known as 'bowler' accounts, by deception to trick agencies into accepting bets from professional gamblers.

Mr Lovecek spoke about the main lessons that wagering operators can take away from this case such as; the Crown needs to prove beyond reasonable doubt that a person engaging in fraud acted deceptively by placing bets and pretending to be the person named as the account holder, that the deception caused the financial advantage or financial disadvantage, and that the obtaining of the financial advantage or the cause of financial disadvantage was dishonest.

#### **Panel Discussion - Customer Complaints and Closing the Gap**

***The third and final panel of the day convened which was made up of Cindy Bravos (Commission Member), Kris Evans (Commission Member) and Alexander Richmond (Head of Legal and Regulatory, BlueBet) and moderated by Daniel Lovecek (Senet Legal). This panel spoke about the common sources of customer complaints and how the industry may play a part in closing the gap***

#### **Reflections and Closing**

The 2022 NT Wagering Operators Forum was then closed by the Commission Chairperson, Alastair Shields after reflecting on such a successful and productive event.

