



Sports betting: rules, regulation and agreements

Overview

The Australian sports betting market has grown substantially in recent years, aided by growth in the use of the internet and mobile phones as mediums for placing bets.¹ This fast growth in sports betting activity, combined with the pervasive advertising of sports betting products and services, has resulted in certain sports becoming increasingly associated with gambling. It has also presented risks to their integrity; that is, increasing possibilities that results might be manipulated to make money from wagers.²

There have been major reviews of how sports betting is regulated at both the state and federal level. This fact sheet outlines both the current rules and the state of review in the Victorian and Federal regulatory environments around sports betting. See also the [GIRO Information sheet, What is sports betting?](#)

Victoria

In Victoria, sports betting is governed by the [Gambling Regulation Act 2003](#), and the [Gambling and Racing Legislation Amendment \(Sports Betting\) Act 2007](#). Federally, the [Interactive Gambling Act 2001](#) also governs sports betting offered in Victoria and elsewhere in Australia. It does so through its power over interactive gambling services offered over the internet.

Important changes to how sports betting is regulated in Victoria came with the introduction of the [Gambling and Racing Legislation Amendment \(Sports Betting\) Act 2007](#). This Act amended the [Gambling Regulation Act 2003](#). It transferred responsibility for approving betting on sporting and other non-racing events to the Victorian Commission for Gambling and Liquor Regulation (VCGLR). It also gave the VCGLR the power to prohibit particular bet offers it considered inappropriate (such as those that might be offensive, contrary to public interest or that would pose an unmanageable integrity risk).³

The aim of the legislation was to (a) improve confidence in the integrity of sports being bet on, and (b) to enable sports controlling bodies to receive a portion of the revenue from the betting on their sports.⁴ As a result, sports betting providers need written agreements with sporting organisations on sharing gambling information and on the fees payable to approved sports controlling bodies.

Sports betting providers may not offer bets on Victorian sporting events without a written agreement from the relevant sports controlling body or a determination by the VCGLR. The Act also contains provisions for dispute resolution between sports controlling bodies and sports betting providers regarding fees payable to sports controlling bodies.

Examples of sports controlling bodies approved by the VCGLR include Cricket Australia, Tennis Australia and the Australian Football League. The VCGLR [lists all approved sports controlling bodies](#) on their website.

¹ Allen Consulting Group 2009, *Review of current and future trends in Interactive gambling activity and regulation - Report to the Australian Government Department of Families, Housing, Community Services and Indigenous Affairs*

² Parliamentary Joint Select Committee on Gambling Reform 2011, *Interactive and online gambling and gambling advertising, Second Report*, p. 181

³ [Gambling and Racing Legislation Amendment \(Sports Betting\) Act 2007 S.4.5.8](#)

⁴ Victorian Department of Justice, 'Sports Betting', available:

<http://www.justice.vic.gov.au/home/liquor+gambling+and+racing/gaming/sports+betting/>

Reviews, inquiries and agreements

Since 2007, there have been a number of reviews and inquiries into sports betting at both State and Federal levels.

Victorian review

In 2011, the Victorian government undertook a [review](#) of Victorian sports betting regulation. It found areas where improvements could be made to improve the regulatory framework, such as improving the monitoring of compliance by the VCGLR, and the need to pursue a national approach in order to best protect sporting integrity. The [Victorian Government's response](#) to the review agreed to implement all of the recommendations where it had power to do so and work with other bodies to advance the rest.

Commonwealth Level reviews and recommendations

At a federal level, sports betting has come under review as part of inquiries undertaken by the Commonwealth Parliament's [Joint Select Committee on Gambling Reform](#), namely those into [Interactive and online gambling and gambling advertising](#) and the [Interactive Gambling and Broadcasting Amendment \(Online Transactions and Other Measures\) Bill 2011](#). The latter report combined the recommendations from the two inquiries. Recommendations included:

- working toward nationally consistent standards on harm minimisation and consumer protection mechanisms,
- working with the states and territories to introduce a mandatory code of conduct for advertising by online wagering providers in consultation with racing ministers and industry
- banning promotion of live odds at venues and during broadcasting of events
- developing a national online gambling research program,
- addressing inconsistencies and ambiguities in the *Interactive Gambling Act 2001*.

In [response](#), the Federal government announced it would ban the promotion of live odds during sports coverage; crack down on online sports betting companies offering credit; introduce stricter limits on betting inducements; extend pre-commitment to online betting services; and increase the powers of the Australian Communications and Media Authority (ACMA) to enforce these new rules.

The Federal government also noted the recommendations would be addressed as part of the review of the *Interactive Gambling Act 2001*, and through its ongoing discussions with state and territory governments in the [COAG Select Council on Gambling Reform](#).

Review of the Federal Interactive Gambling Act

The Department of Broadband, Communications and the Digital Economy (DBCDE) is conducting a [Review of the Interactive Gambling Act 2001](#). Its interim report has suggested recommendations concerning sports betting. Of particular relevance are:

- the prohibition of micro bets
- ensuring neutrality across all methods of betting (e.g. internet, phone)
- enabling national sports bodies to play a central role in ensuring bets that are placed minimise the risk to sporting integrity.

Integrity Agreements and the COAG National Policy on Match-Fixing in Sport

A number of Australian sporting bodies have agreements with betting agencies to reduce the potential of corruption in their sporting contests. For example, Cricket Australia has agreements with a number of major sports betting providers, who are listed as Approved Betting Partners of Cricket Australia. As noted above, Victorian legislation requires agreements between sports controlling bodies and sports betting providers.

The June 2011 Council of Australian Governments' (COAG) communiqué, [National Policy on Match-Fixing in Sport](#), commits all Australian governments⁵ to pursue nationally consistent legislation to address match-fixing and arrangements between sports controlling bodies and betting providers. The intention is to safeguard the integrity of sporting contests, and to prevent or punish those who might influence them in order to generate a winning bet.

On 30 September 2011, Australian sports ministers endorsed a [model](#) to enable the National Policy on Match-Fixing in Sport. Sports ministers also agreed to take the proposed model to their governments or relevant ministers for consideration and implementation. The model uses the Victorian *Gambling and Racing Legislation Amendment (Sports Betting) Act 2007* as its basis. It also requires organisations who receive government funding to meet integrity benchmarks as outlined in the National Policy.

Offences for national match fixing offences are in development. Australian Attorneys-General at the Standing Council on Law and Justice are supporting the development of consistent statutes. A maximum penalty of 10 years imprisonment for some offences is foreshadowed. State and Territory Attorneys-General are now in the process of seeking agreement from their governments on the proposed match-fixing offences and penalties.

Other measures

As mentioned above, in January 2012, the Federal government announced it would ban the promotion of live odds during sports coverage; extend pre-commitment to online betting services; crack down on online sports betting companies offering credit and introduce stricter limits on betting inducements; and increase the powers of the Australian Communications and Media Authority (ACMA) to enforce these new rules.⁶

The Federal government [announced](#) in June 2012 it had finalised an agreement with commercial and pay TV broadcasters to reduce the promotion of live odds during sports broadcasts. The agreement will see a prohibition of any sporting commentators from mentioning live odds, and banning of all live odds promotion during play from 2013.

Current Inquiry

The Parliamentary Joint Select Committee on Gambling Reform is currently conducting an inquiry into [The advertising and promotion of gambling services in sport](#) and is due to report on 16 May 2013

Relevant legislation

[Gambling Regulation Act 2003](#)

[Gambling and Racing Legislation Amendment \(Sports Betting\) Act 2007](#)

[Interactive Gambling Act 2001 \(Cmwlth\)](#)

⁵ The federal, state and territory governments.

⁶ Prime Minister of Australia. (2012, January 21). Tackling problem gambling | Australia [Press release]. Retrieved from: <http://www.pm.gov.au/press-office/tackling-problem-gambling-australia>

More information

Department of Broadband, Communications and the Digital Economy 2011, Interim Report - Review of the Interactive Gambling Act 2001

http://www.dbcde.gov.au/broadband/online_gambling/2011_review_of_the_interactive_gambling_act_2001m

Further information from DBCDE on federal regulation of sports betting

http://www.dbcde.gov.au/broadband/online_gambling/interactive_gambling_industry_code/frequently_asked_questions

Victorian Commission for Gambling and Liquor Regulation: Sports betting

<http://www.vcgr.vic.gov.au/CA256F800017E8D4/LicInfo/6108165434BE61A0CA257783000FCCAC?OpenDocument>

National Policy on Match Fixing in Sport

http://www.regional.gov.au/sport/programs/match_fixing.aspx

2011 Review of Victorian Sports Betting Regulation

<http://www.justice.vic.gov.au/home/liquor+gambling+and+racing/gaming/sports+betting/sports+betting+review+-+report+and+government+response+%28pdf%29>

Joint Select Committee on Gambling Reform

http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Committees?url=gamblingreform_ctte/index.htm

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