



# A Bill to Prohibit Social Casino in Australia

The net is cast wider than it says on the tin.

## RISK BAROMETER:



## JURISDICTION RELEVANCE:

Global

## TIMELINE:

A public inquiry into the bill may begin at the end of July 2020

## WHAT YOU SHOULD KNOW:

- The independent federal MP and longstanding anti-gambling advocate, Andrew Wilkie, has advocated the "[Interactive Gambling Amendment \(Banning Social Casinos and Other Measures\) Bill 2020](#)" - threatening to amend the Interactive Gambling Act 2001 to include the term "prohibited social casino service" as a "designated interactive gambling service" not to be provided to customers in Australia.
- This is the second attempt to prohibit gambling style mechanics under the Interactive Gambling Act. In 2013, former Independent Senator Nick Xenophon failed to pass the "Virtual Credits Bill," which would have incorporated virtual items and currency into the definition of money's worth. It was ultimately rejected by the Joint Select Committee on Gambling Reform (JSOCGR) due to a lack of real evidence of harm and enforcement complications for the entire video games sector.<sup>1</sup>
- This bill tries to learn lessons from the failed experiment of 2013 by targeting "social casino" games specifically. However, the definition of a "prohibited social casino service" is blunt, encompassing a game of "mixed chance and skill." Many mobile genres might be caught - from match 3 to puzzle - as could skill games which feature loot boxes. Where will the line be drawn?
- Wilkie has done everything he can to promote the bill as an independent, making well-worn arguments about the socialisation of gambling, now more commonly associated with loot boxes. He has participated in [radio talk shows](#) and succeeded in garnering mainstream media coverage, including the Daily Mail: "[Outrage over casino mobile phone games that 'groom children for a lifetime of gambling' - as it's revealed one woman lost \\$400,000 playing.](#)"
- Contrary to expectations, the bill was snapped up by the House of Representatives Social Policy and Legal Affairs Committee without the bother of a vote – whose track record includes an inquiry into age verification for online wagering and pornography. Even though it was outside of its mandate, [the final report was critical of simulated gambling and loot boxes.](#)

## MOST TELLING:

According to the bill, a "prohibited social casino service" may include a "game of chance or of mixed chance and skill."

## DELANY & CO HOT TAKE:

It would be foolhardy to believe that a bill to prohibit social casino would not be used as a tool to attack pricing mechanics across the sector. Our intel is that the details of a full inquiry into the bill are likely to surface at the end of July.

Endnote: [1] [https://www.aph.gov.au/Parliamentary\\_Business/Committees/Joint/Former\\_Committees/gamblingreform/completedinquiries/2010-13/virtualcredits/report/index](https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Former_Committees/gamblingreform/completedinquiries/2010-13/virtualcredits/report/index)