

Prohibition on betting on minors in sport - VGCCC guidance for sports controlling bodies and sports betting providers

Purpose

The Victorian Gambling and Casino Control Commission (VGCCC) has determined that permitting betting on minors is contrary to the public interest and poses potential integrity and gambling related harm concerns. These concerns include minors being more susceptible to approaches from parties seeking to undermine the integrity of a sporting event and the normalisation of gambling for those participating in, and following, events where minors are participating.

In response to these concerns, the VGCCC has introduced a prohibition to limit betting on under 19 sports competitions and the performance of individual players who are under 18.

This document sets out guidance to assist sports controlling bodies (SCBs) and sports betting providers (SBPs) with understanding their obligations relating to the prohibition. Legislation and prohibition requirements

Legislation and prohibition requirements

Variation of SCB approval and imposition of a condition

Under section 4.5.17(1)(a) of the *Gambling Regulation Act 2003 (GR Act)* the Commission, by written notice to a sports controlling body, may—

- (a) vary the approval or declaration of the body (including a variation or revocation of a condition to which the approval or declaration is subject); or
- (b) revoke the approval or declaration of the body for any reasonable cause stated by the Commission in the notice of revocation.

Under section 4.5.15(3) of the GR Act the Commission may impose any conditions it thinks fit on an approval at the time of granting the approval or at any later time.

The VGCCC has varied all SCB approvals and imposed the following condition on SCB approvals under section 4.5.15(3) of the GR Act:

The sports controlling body must ensure that any betting service offered on its sports betting event does not permit bets to be offered on:

1. competitions where all players are minors or 19 or under; and
2. any contingency (outcome) based on the performance of any participant who is a minor.

Prohibit betting on a contingency relating to an event

Under section 4.5.29(1) of the GR Act the Commission, by instrument, may prohibit betting on a contingency relating to an event if the Commission considers that betting on the contingency relating to an event—

- (a) may expose the relevant event or class of event to unmanageable integrity risks; or
- (b) is offensive; or
- (c) is contrary to the public interest; or

- (d) is unfair to investors; or
- (e) should be prohibited for any other reason.

The VGCCC has prohibited betting on contingencies that relate to the outcome of the performance of an individual minor in a sports betting event in accordance with sections 4.5.29(1)(a), 4.5.29(1)(c), and 4.5.29(1)(e) of the GR Act.

To implement the above requirements, the VGCCC requires SCBs to modify their product fee and integrity agreements (**PFIAs**) with SBPs, and that SCBs and SBPs modify and adjust relevant system and operating procedures.

Effective date of prohibition

The effective date of the prohibition is 26 February 2024. Prior to this date, the VGCCC expects SCBs and SBPs to make every effort to adhere to prohibition requirements and to be able to demonstrate that measures are being put in place to meet the requirements.

Extent of prohibition

The prohibition covers the Victorian community and events. As outlined below, the extent and coverage of the prohibition varies depending on:

- Whether there is a SCB for the sporting event
- The location of the sporting event
- The jurisdiction where a SBP is licensed/registered
- Where an account holder is located
- The location where the bet is made

Prohibition on betting on minors in sport

	Where there is no sports controlling body (SCB) for the sporting event	Where there is a sports controlling body (SCB) for the sporting event
Relevant section(s) of the Gambling Regulation Act 2003 (GR Act)	Section 4.5.29(1) - The Commission, by instrument, may prohibit betting on a contingency relating to an event	Section 4.5.15(3) - The Commission may impose any conditions it thinks fit on an approval at the time of granting the approval or at any later time Section 4.5.29(1) - The Commission, by instrument, may prohibit betting on contingency relating to an event
Type of sporting activity covered by the prohibition	Any contingency (outcome) based on the performance of any participant who is a minor	Competitions where all players are minors or 19 or under Any contingency (outcome) based on the performance of any participant who is a minor
Location of event covered by the prohibition	Wholly or partly in Victoria	Wholly or partly within or outside Victoria
When the prohibition applies	The sporting event is wholly or partly in Victoria and where any of the following is applicable: <ul style="list-style-type: none"> • The SBP is licensed/registered in Victoria; or • The bet is placed by a Victorian account holder; or • The bet is placed in Victoria. 	The sporting event covered under a SCB PFIA is wholly or partly within or outside Victoria and where any of the following is applicable: <ul style="list-style-type: none"> • The SBP is licensed/registered in Victoria; or • The bet is placed by a Victorian account holder; or • The bet is placed in Victoria.

Where there is no SCB

Type and location of event

The prohibition applies to any contingency (outcome) based on the performance of any participant who is a minor occurring in an approved event or class of event held wholly or partly in Victoria (refer also to 'When the prohibition applies'). This includes all approved sports betting events (**SBEs**), as outlined on the VGCCC website.

A contingency will fall within the prohibition if that contingency:

- (a) occurs in a competition or tournament within an approved SBE; and
- (b) is held at least partly in Victoria.

The contingency itself does not have to take place wholly in Victoria if the competition or tournament within which it occurs is partly held in Victoria. For example, the event or class of event will still be held partly in Victoria if its competitions or tournaments include games and matches that:

- are held interstate where any part of the season also occurs in Victoria; or
- form part of qualifying events and are held in Victoria.

Where the SBE relates to an international event or an event not typically occurring in Victoria (e.g. Olympics and Commonwealth Games) a contingency will only fall within the prohibition where Victoria is actually hosting the international event or for qualifying tournaments or competitions for the event where the qualifier is occurring in Victoria. A contingency would not fall within the prohibition in instances where the international event has no connection to Victoria at all.

When the prohibition applies

The prohibition for events where there is no SCB for the sport applies where any of the following is applicable:

- The SBP is licensed/registered in Victoria¹; **or**
- The bet is placed by a Victorian account holder; **or**
- The bet is placed in Victoria.

For example, the prohibition would apply to events wholly or partly in Victoria in the following scenarios:

- A Victorian SBP providing a betting market on a minor to a non-Victorian account holder
- A non-Victorian SBP providing a betting market on a minor to a Victorian account holder or to a non-Victorian account holder where the bet is placed in Victoria The prohibition would **not** apply to:
- A non-Victorian SBP providing a betting market on a minor to a non-Victorian account holder where the bet is placed outside of Victoria, regardless of where the event is played

Where there is a SCB

Type and location of event

The prohibition applies to an approved event or class of event held wholly or partly in Victoria as outlined above for where there is no SCB, as well as events covered under a SCB PFIA regardless of where the event occurs (i.e. wholly or partly within or outside Victoria as per section 4.5.7 of the GR Act) for the following (refer also to 'When the prohibition applies'):

- Sporting events where all participants are minors
- Sporting events for under 19s
- Open events where minors are playing (a bet can be placed on the open event 'team' but not on particular outcomes for players in the team who are under 18 years old)

¹ Victorian wagering and betting licensee and bookmakers registered under the GR Act.

When the prohibition applies

The prohibition for events where there is a SCB for the sport applies where any of the following is applicable:

- The SBP is licensed/registered in Victoria²; **or**
- The bet is placed by a Victorian account holder; **or**
- The bet is placed in Victoria.

For example, the prohibition would apply to events wholly or partly within or outside Victoria in the following scenarios:

- A Victorian SBP providing a betting market on a minor or under 19 event to a non-Victorian account holder
- A non-Victorian SBP providing a betting market on a minor or under 19 event to a Victorian account holder or to a non-Victorian account holder where the bet is placed in Victoria. The prohibition would **not** apply to:
- A non-Victorian SBP providing a betting market on a minor or under 19 event to a non-Victorian account holder where the bet is placed outside of Victoria, regardless of where the event is played

General requirements

Under 19 events

The VGCCC has prohibited betting on both under 18s and 19s sporting competitions given the heightened risk that a substantial proportion of participants will be minors.

Open events where minors are playing

The prohibition applies to offering bets on outcomes such as 'first goal of the game', 'most disposals' or 'first player to take a wicket', where individual players are minors. Bets can still be offered on team outcomes (excluding sporting events where all participants are minors and sporting events for under 19s where there is a SCB for the sport) in sports where minors are playing.

No bets can be offered on events where there are only two participants including where only one is a minor (e.g. a singles tennis game) as betting on either opponent is effectively betting on the outcome of the minor (e.g. either winning or losing). Similarly, no bets can be offered on a doubles match involving a minor, meaning no bets on the underage participant, their doubles partner or their opponents.

Horse racing and harness racing

The prohibition does not apply to horse and harness racing.

Future markets and predicting winners

The prohibition applies to any outcome based on the performance of any participant who is a minor, including future markets and predicting winners as part of a rounds qualifier if the participant is a minor. Future markets and predicting winners may be offered, omitting the participant who is a minor and excluding the minor from any potential 'rest of the field' option.

Where an event progresses and a futures market previously offered can no longer be offered due to a minor participating in that particular match (e.g. a singles or doubles tennis match), the SBP should provide a refund to account holders for any bets placed on the non-minor.

Same game multis and other special bet types

The prohibition applies to same game multis and other special bet types.

² Victorian wagering and betting licensee and bookmakers registered under the GR Act.

Identifying minors

SCBs and SBPs will need to determine appropriate arrangements to ensure that minors are identified. SCBs could, for example, notify SBP partners of the date of birth for all participants.

Where age cannot be verified

In instances where the age of a participant cannot be verified, the VGCCC recommends a precautionary approach (i.e. betting not being offered on the participant) until the age of that participant can be verified.

Where a participant turns 18 during the sports betting event

In instances where a participant turns 18 years old during the duration of a sports betting event, betting may be offered on the participant after they turn 18.

Non-compliance with the prohibition

SCBs are responsible for overseeing and enforcing integrity matters with respect to their approved sports betting events and this includes ensuring that SBPs are aware of prohibited contingencies. SCBs also need to comply with conditions that form part of their approval which now includes ensuring that any betting service offered on its sports betting event does not permit bets to be offered on competitions where all participants are minors or 19 or under; and any contingency (outcome) based on the performance of any participant who is a minor.

SBPs are also required to comply with legislative requirements relevant to the prohibition at all times, including where there is no SCB for the sports betting event, as it is now an offence to offer and accept bets on a contingency relating to an event subject to a prohibition. Section 4.5.31 of the GR Act states:

(1) A sports betting provider must not, in Victoria or elsewhere—

- (a) accept, offer to accept, or invite a person to place, a bet; or*
- (b) facilitate the placing of a bet—*

on a contingency relating to an event that is the subject of a prohibition under section 4.5.29.

Penalty: 60 penalty units.

How to report an alleged breach of these requirements

Any alleged breach of gambling legislation can be reported to the VGCCC for investigation by submitting a complaint or tip-off on our website. This can be done anonymously, however this may limit what regulatory action we can take as we will not be able to clarify any information provided or obtain more information that we may require.

Definitions

Sports controlling body

Section 4.5.1 of the GR Act defines a sports controlling body as an organisation approved under section 4.5.15 or declared under section 4.5.15A as the sports controlling body for a sports betting event.

Sports betting event

Section 4.5.1 of the GR Act defines a sports betting event as an event, class of event or part of a class of event designated under section 4.5.9 as a sports betting event.

Sports betting provider

Section 4.5.1 of the GR Act defines a sports betting provider as a person who, in Victoria or elsewhere, provides a service that allows a person to place a bet on a sports betting event.

Contingency relating to an event

Section 4.5.29AA of the GR Act defines contingency relating to an event as a contingency relating to an event or class of event—

- (a) approved under Division 3 for betting purposes; and
- (b) held wholly or partly in Victoria.