

# brooks/ maher

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6 May 2011

The Hon James Wood A0 QC  
Chairperson  
NSW Law Reform Commission  
GPO Box 5 199  
SYDNEY NSW 2001

Dear Mr Wood

## **INQUIRY: CHEATING AT GAMBLING**

I write as a non-betting grandmother, to put a personal perspective into your considerations re the above Inquiry. While not a wowsler, I wince every time I see betting ads on TV in the midst of an actual sports broadcast – the opportunity for misdirection and fraudulent manipulation are quite apparent, even to someone whose main gambling activity is a modest flutter in the Melbourne Cup Sweep.

This gives rise to grave concern regarding the integrity of sport (I totally concur with The Australian Sports Commission in PCG13) and not just the particular sport being broadcast, but to the whole idea of sport as an activity that should be fair and free from criminal distortion. Because that's what cheating is – a crime, no matter what the motives are, but especially when it involves gambling contrived for illegitimate financial gain.

I realise that your Inquiry is not about TV advertising – but it highlights just how vulnerable to cheating this form of betting can be. From my observation some of the bets offered are quite outlandish – invented situations or scenarios that lend themselves to being manipulated (particularly by 'missed' shots/starts/fences/goals or just general poor player performance) to the disadvantage of the punter placing a bet in good faith. No wonder it's called "exotic".

In fact, most of these betting messages (and I gather something similar happens on radio, and probably even on-line) seems to rely on IMPULSE response, not logic or reason. But how can an individual tricked into losing money this way ever find out what the truth it – or seek redress. As things now stand in NSW it is almost impossible to find a way to challenge third party incitement and/or involvement – not even for insider manipulations. There is no legal way to get these cheats to Court, much less to punish or deter.

As some of the earlier submissions to this Inquiry point out, it is truly fraud by deception. The whole situation is totally un-fair, and I urge the Inquiry to recommend deep Reform measures – those as suggested by the ACT and WA laws (quoted in PCG1 and PCG8)) and by the UK Financial Authority (PCG3 and in PCG13) are all worth considering. The Wesley submission (PCG7) also makes significant points re social implications.

An important point is that recent revelations re exotic betting fraud show that it can be triggered a number of ways – emotional duress, sexual intrigue, blackmail or threats of violence to family/self – all these can come into play as much as greed or gain. As a result, I urge the Inquiry to take a stand that any counter-measures must be equally wide-ranging in regard to a network of people who may be involved, not just confined to the sportsperson/team directly involved. This is why I have no confidence in several submissions (eg PCG9 and PCG13) by sporting groups which seem to suggest that little more than a the sanction of an internal Code of Conduct is required. You have only to recall the long history of persistent drug abuse across a whole range of sports, right up to Olympic level, and despite the most draconian penalties, to realise that this is simply not tenable. The Lawrence submission (PCG10) even pinpoints financial specifics.

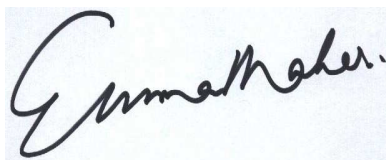
Sports fraud via gambling aimed at fleecing the general public of millions of dollars is no longer an “internal” problem for the sports administrator – it is a matter for the whole community, and calls for a full-scale legal response. This should include a legal regime that WORKS – and I support those submissions that suggest although this would be NSW law, the design of these should be planned to fit within a co-ordinated national framework.

I note particularly that the NT submission (PCG22) refers to extra-territorial provisions re interstate bookmakers. Given the nation-wide (and beyond) scope of today’s TV and online communications etc, this aspect is an essential consideration for the Inquiry. I have particular concerns at the way TV intersperses exotic betting options within the framework of the actual sport, as if making an impulse gamble “part” of the game – a real snare for less sophisticated viewers. Worse, for vulnerable younger fans, it not only “normalises” the idea of wagering (ie losing) money, it’s happening right in their own family home.

There is one other comment to note, regarding the mis-match of requirements/powers as revealed in the submissions from ACMA (PCG2) and the AFP (PCG24). Read these together and it’s clear that (for whatever reason) there’s a history of handwashing and problem-denying under the current laws. No- one takes any meaningful responsibility so offenders fall through the cracks – and criminals get away with impunity.

The kindest thing that could be said is that the AFP feel powerless because the current laws give them so few grounds to act, or make charges stick. This is where the Inquiry can make a difference, at least in regard to NSW. As a grandmother concerned with the problems (and huge social costs) that gambling imposes on the community right now, I urge the Inquiry to err on the side of HONEST punters when it comes to recommendations. Please use this opportunity to propose measures which are wider and more effective than now, and leaving no loopholes that can be exploited by fraudsters and special interests.

I trust this personal submission assists the Inquiry, and am also available to attend a Hearing or for any further comments if required.



Emma Brooks Maher