



## **Netsafe response to the Draft Strategy to Prevent and Minimise Gambling Harm 2025/26 to 2027/28**

### **About Netsafe**

1. Netsafe is New Zealand's independent, non-profit online safety charity. Taking a technology-positive approach to the challenges digital technology presents, we work to help people in New Zealand take advantage of the opportunities available through technology by providing practical tools, support and advice for managing online challenges.
2. We are an independent non-profit organisation adjacent to Government and law enforcement, supported by the public and private sector and with a focus on online safety. Netsafe provides free support, advice and education seven days a week through a helpline, our website and face to face service delivery across New Zealand
3. Netsafe is also the Approved Agency under the Harmful Digital Communications Act 2015 (HDCA). One of the purposes of the HDCA is to deter, prevent, and mitigate harm caused to individuals by digital communications. Netsafe's functions as the Approved Agency are set out in section 8 of the HDCA. Those functions include:
  - a. to receive and assess complaints about harm caused to individuals by digital communications
  - b. to investigate complaints
  - c. to use advice, negotiation, mediation, and persuasion (as appropriate) to resolve complaints
  - d. to establish and maintain relationships with domestic and foreign service providers, online content hosts, and agencies (as appropriate) to achieve the purpose of the Act
  - e. to provide education and advice on policies for online safety and conduct on the Internet.
4. Netsafe's comments are focused on our experiences dealing with online harms as both a not for profit agency and as the Approved Agency under the HDCA.

5. Netsafe supports the strategy's focus on addressing the evolving risks of online gambling, particularly as online gambling platforms increasingly utilise new, often covert methods to engage users. The integration of gambling into more casual forms of digital entertainment, such as in-game rewards, social casino games, and prize-based mechanics, poses a particular challenge. These features can blur the line between traditional gambling and other online activities, making the financial risks potentially less visible to users. For instance, platforms may lure users with "free" gaming experiences that later evolve into paid activities with real monetary risks. The strategy must, therefore, be broad and capable of addressing not only current gambling practices but also the future innovations that online platforms will likely employ to target users. Further research into the mechanics and associated behaviours should also form part of the strategy.
6. At the same time, it is essential to draw a clear distinction between online gambling and legitimate online gaming within the strategy. While elements of online gaming, such as loot boxes, may show gambling-like features, not all such gaming activities or features should be treated as gambling. The strategy should ensure it does not conflate these two distinct activities, as legitimate gaming serves an entirely different purpose from gambling, which centres on financial gain. However, elements of gaming that mirror gambling -such as those where players stake real money for rewards of uncertain value - should be evaluated carefully to ensure that adequate harm prevention measures are in place. It is important that the strategy includes provisions for ongoing education and awareness about these features, helping users distinguish between safe gaming practices and potentially harmful gambling-like behaviours.
7. On that last point, Netsafe strongly supports the strategy's emphasis on preventative education, and in particular youth education. Young people are increasingly exposed to gambling-like experiences online, whether through social media or gaming platforms. These platforms often employ marketing tactics that draw younger audiences into gambling-like environments before they fully understand the associated risks. The strategy should ensure that there is adequate research and resources dedicated to understanding how young people engage with these online environments, and it should develop targeted educational programs to address these risks. The Ministry of Health may therefore wish to take a more proactive approach to ensure youth have the tools to navigate the digital world safely, for example funding or collaborating with online safety experts to develop appropriate tools and resources that help young people recognise the difference between casual online gaming and gambling, the harms that can result, and where to go for confidential help or advice.

**Netsafe**

**4 October 2024**