

What is illegal online gambling?

Illegal online gambling takes many forms including offshore casinos and bingo groups. Recently there has been a surge in 'PayID pokies', which lures players into depositing funds for gambling websites and phone apps by transferring funds to a designated bank account.

These websites are unlicensed and unregulated meaning there are no player protections or guarantees. Participating on these websites is not illegal, however the Australian Communications and Media Authority (ACMA) strongly advises against it because players have reported being denied access to their winnings or funds.

Who are the 'players'?

Illegal online gambling syndicates target everyday Australians, but vulnerable people are at the greatest risk of being exploited.

Participation commonly begins with a referral from an existing player. Advertising on social media platforms and within other phone apps are also used to attract players.

Funds used to play on these illegal sites is usually sourced from legitimate wages or government benefits. Players typically transfer A\$10–A\$100 at a time to a nominated account of which they have no relation. These accounts regularly change. A player will often be asked to swap the account they pay into. It is highly unlikely a player will receive "winnings" from these sites, however, they may receive a payment for referring friends.



Image of illegal gambling website

Who are the facilitators?

Criminal syndicates and organised crime groups are suspected of being responsible for the operation of illegal online gambling websites and apps. Facilitator bank accounts are primarily operated via company and sole trader businesses established for the sole purpose of receiving funds from illegal online gambling (although personal accounts are sometimes used) and then moving the funds offshore to the organised crime group. They feature company names such as JMS Fashion Pty Ltd or John MS Clothing Pty Ltd.

Unlike player accounts, facilitators have no legitimate account activity. Business accounts are frequently devoid of everyday business expenses such as wages, overheads, or tax payments. Some may provide false invoices to misrepresent business activity. These accounts receive a rapid influx from a large volume of players in A\$10–A\$100 denominations. Accounts are consistently cleared and rarely exceed A\$10,000. Once the account reaches a balance of ~A\$5,000, the facilitator usually conducts transfers of A\$500–A\$2,500 to third parties who launder the money further.

What are the risks?

Individuals engage in illegal online gambling at their own risk, however they may not realise the consequences of doing so. The primary risk players face is the loss of any deposited funds and an inability to claim any winnings. It is highly unlikely any public sector regulators, law enforcement bodies, or financial institutions will be able to recover lost funds, regardless of how unfairly the gambling operation was conducted. In addition to losing deposited funds, players are also at risk of identity theft, unknowingly participating in money laundering by moving illicit funds, and exposing themselves to other fraud and scams.



Image of social media post offering to rent peoples accounts for a fee



Image of social media post

What does it look like?

Websites

The websites are flashy and inviting, often featuring colourful graphics, pop culture references, AI art, and suggestive content. The illegal gambling websites referred to in this paper have strong similarities to each other. Key features include:

- A section to log in and sign up.
- A live transaction table, which lists deposits and withdrawals for different phone numbers.
- Animated characters and pop culture imagery.
- A toolbar with four to five options: home, history, promotions, live chat, and settings are most common.
- Announcements that instruct visitors on the best practices for transferring funds.
- Language options offering English and Mandarin only.
- Affiliate and partner casinos.
- Lists of possible bonuses available to players.
- A large list of the different games on offer.

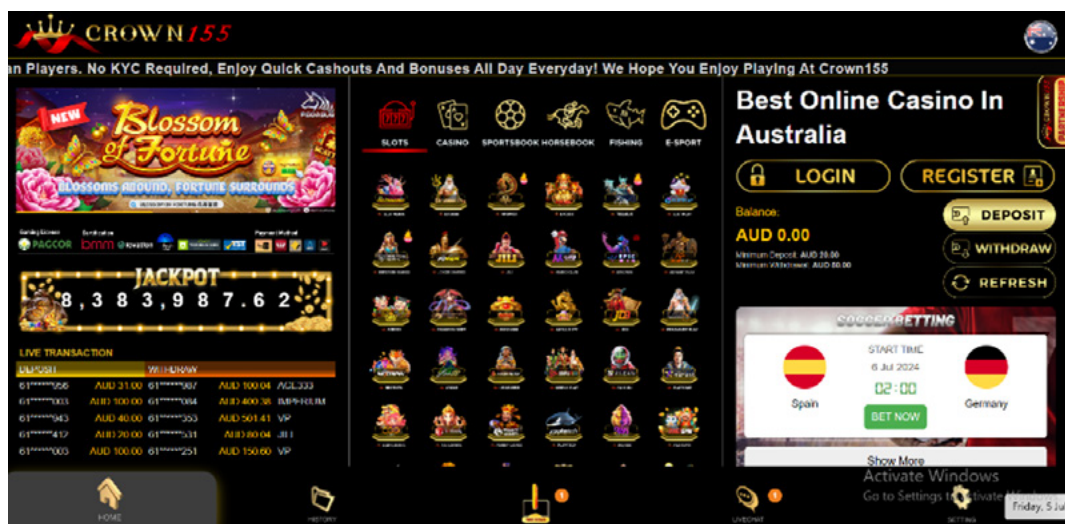


Image of illegal gambling website

The websites regularly contain brand imagery which may also deceive players into believing these sites can be trusted. This includes referencing financial institutions, gaming regulators, and cybersecurity vendors.

In some cases, illegitimate sites may have a gambling app on Apple App Store or Google Play Store (for Android devices) to appear trustworthy, though in most cases users are instructed to download the third-party apps directly from an untrustworthy source.

Social media groups

Social media groups designed for pokies discussion are widespread with referral codes and advertisements. Players receive bonuses for each additional player who signs up using their referral link. Websites also advertise a commission scheme where players receive a fixed percentage of any losses incurred by referred players. This results in spam-like behaviour by players who constantly advertise different platforms in the pursuit of bonuses, which are likely paid in credits for them to gamble.

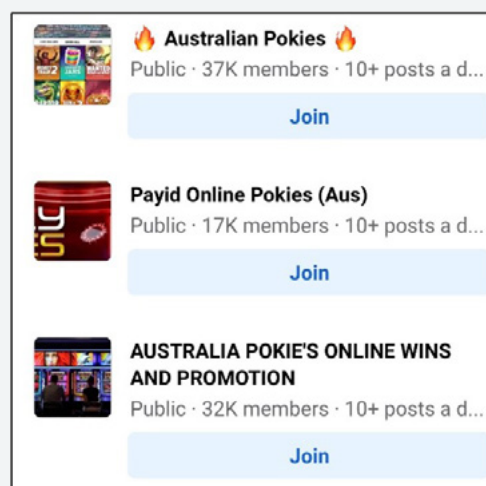


Image of known social media groups that promote illegal online gambling

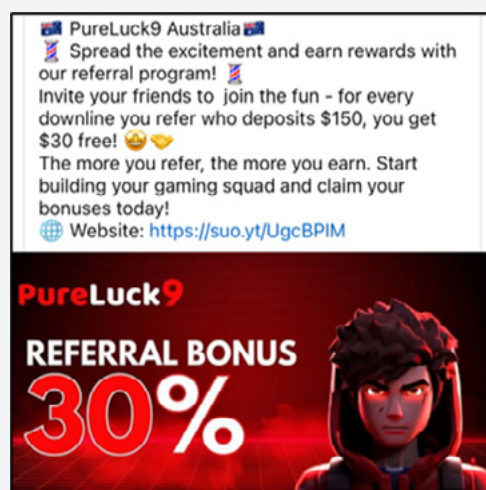


Image of referral bonuses for players involved in illegal online gambling



If you or someone you know has been scammed, please talk with your bank, your local financial counsellor, call the National Debt Helpline on **1800 007 007** or your local community police officer for assistance.