Facts at a glance

Intersectionality: 02

Gambling, gaming and young people

wesley mission
driven to do more good

Overview

Video or internet gaming is very popular in Australia with adults and children, with 89% of young people between 8 and 17 having played.[1] Parents and young people may be alert to the dangers of gaming disorder[2], but are unlikely to know how the manipulative designs of games can lead to stress or financial losses.[3] More dangerously, these psychological features may be creating ways of thinking that predispose children to turn to gambling[4] to seek the excitement they no longer find in games.

One in three, or 30%, of Australian teenagers aged between 12-17 already gamble, increasing to 46% once they are in the 18-19 age bracket. More Australian teenagers gamble than play their age group's most popular sports.[5] Any form of preliminary grooming that increases the chance of risky gambling should be of concern.

Risk factors

Conditioning.[6 7]

A shared element utilised in both poker machines and lootboxes is auditory and visual stimulation. The concept of randomised rewards lies behind both gambling and gaming, regardless of any skill factors. If a player never knows when a reward or opportunity will appear, or what it will be, they will stay more engaged with the game for longer.

Lootboxes allow players to customise and increase the performance of their characters. They appear randomly, and the player does not know what they will contain. Colours and graphics change within the game to represent tiers of value. This builds expectations of congratulatory fanfares for both small and large achievements, mimicking the responses in gambling machines and apps, which quickly reinforces neural pathways seeking external validation for wins.

Microtransactions.[8 9 10]

In games containing lootboxes, gacha or similar randomised rewards, the more money that is spent, the more likely it is for the player to collect items of higher value. In many games, this is often shown by a counter of how many 'boxes' are left to open until a higher value reward is reached. While some rewards are free, acquiring the higher-value rewards requires monetary spending.

Microtransactions are designed to appear small enough to be affordable, making it more difficult to keep track of spending.

These 'microtransactions' are the primary revenue stream for many popular games available today. 21.4% of Australians under 18 have played games that contain lootboxes.

Esports and skin gambling.[11]

Esports are competitive gaming events in which professional players often compete for rewards or recognition. Spectators can bet on outcomes with actual money but also with in-game rewards or 'skins', often acquired by monetary spending. While not an inherent part of gaming, it is closely linked. Frequent 'skin' gambling has been linked to higher risk of gambling harm in young adults.

Prevention strategies

As young people may not be aware they are at risk it is important for parents, governments, schools and services to begin educational awareness from an early age. A good approach with young people is to talk about how games are deliberately programmed to mislead them into spending money, rather than jumping straight to the risk of harm. Once young people are engaged because they do not like to be manipulated, further discussions should include education on pathways to gambling harm, what harm looks like and where to get help. Education for parents and guardians is essential in minimising exposure to gambling from an early age, as many parents are unaware that activities they consider as games involve actual or simulated gambling.

Stronger regulation of gambling products is crucial in minimising the risk of gambling harm, including regulating online products such as loot boxes. In 2024, the Australian Government re-classified games containing gambling elements, such as microtransactions as M, not recommended for children under 15. Simulated gambling, including “social casinos”, are now rated R18+, which is a legal restriction. While it is a positive step, governments must tighten restrictions to protect children and young people from gambling harm.

Advocating for reform

Wesley Mission has put this fact sheet together as part of our advocacy for reform to minimise gambling harm. Our current campaign goals are to:

- implement universal cashless gambling with harm reduction measures built-in
- power-down poker machines after midnight
- fund an independent state-wide self-exclusion register
- let communities have a say
- have greater transparency in NSW – publish venue data.

Contact us: gambling.reform@wesleymission.org.au

For more information: https://tinyurl.com/PutPokiesInTheirPlace

Sources

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