

# Swiss vote to block foreign-based gambling sites

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Around three-quarters of those who voted backed the new gambling law but voted down a "sovereign money" initiative, which would legally bar any institution besides the central bank from creating new money

Swiss voters overwhelmingly approved Sunday blocking foreign-based

betting sites in a high-stakes referendum on a new gambling law designed to prevent addiction, but which opponents said amounted to internet censorship.

A full 72.9 percent of voters came out in favour of the new gambling law, final results showed, also indicating that only about a third of eligible voters cast their ballot.

The vote spells a crushing defeat for the opponents who gathered the 50,000 signatures needed to put a law change to a referendum, warning the law's internet restrictions pose a serious threat to liberties online.

The Swiss government says the Gambling Act, which has already been passed by both houses of parliament, updates legislation for the digital age, while raising protections against addiction.

The law, which is set to take effect next year, will be among the strictest in Europe, allowing only casinos and gaming companies certified in Switzerland to operate in the country, including on the internet.

It will enable Swiss companies for the first time to offer online gambling, but will basically block foreign-based companies from the market.

This aspect of the law in particular spurred a coalition made up primarily of the youth wings of various political parties to launch the referendum.

## **'Dangerous precedent'**

Opponents have slammed Bern for employing "methods worthy of an authoritarian state", with a measure that they claim is "censorship of the internet."

"This sets a very dangerous precedent," Luzian Franzini, co-president of The Greens' youth wing and head of the campaign against the new law, told AFP before the vote.

Swiss Justice Minister Simonetta Sommaruga, however, insists that allowing only Swiss-based companies to sell gambling services is "indispensable" to ensure that everyone adheres to strict rules, like blocking known addicts.

According to Addiction Switzerland, some 75,000 people in the small Alpine nation of 8.3 million inhabitants suffer from gaming addiction, costing society more than half a billion Swiss francs (half a billion dollars) annually.

Bern also wants all of the companies' proceeds to be taxed in Switzerland, with revenues helping fund anti-addiction measures, as well as social security and sports and culture programmes.

According to the government, Swiss gamblers spend around 250 million Swiss francs annually on unregulated betting sites abroad that pay nothing into public coffers.

Sommaruga has said that the new gambling law was needed "to stop this hemorrhaging."

According to GREA, an association that studies addiction, Swiss gambling and betting companies pulled in nearly 1.7 billion Swiss francs in 2016, of which more than half went to "the public good".

## **'Jackpot' for Swiss casinos**

But opponents claimed Switzerland could make more money by issuing concessions to foreign companies that agree to be regulated and taxed,

and charge the law is basically a windfall for Swiss casinos.

"Swiss casinos have won the jackpot" with the new law, Isabelle Chevalley of the Liberal Green Party, told public broadcaster RTS after the vote.

Switzerland's new [gambling](#) law was only one of several issues facing popular votes Sunday at the national, regional and local levels as part of the country's famous direct democratic system.

Voters across the country resoundingly rejected an initiative on so-called "sovereign money", with 75.7 percent of voters opposing it, according to near final results.

That initiative would have legally barred any institution besides the central bank from creating new money, in a bid to rein in financial institutions and avert crises like the one the world suffered in 2008.

But opponents warned the measure would threaten Switzerland's financial stability.

On Sunday, the Swiss Bankers Association hailed that voters had so clearly rejected "a radical alteration of the monetary system."

In southern Valais canton, nearly 54 percent of voters meanwhile snubbed a bid for the town of Sion to host the 2026 Winter Olympics.

Switzerland, home to the International Olympic Committee, has not hosted the Games since 1948.

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