# Position Paper: Ban Online Gambling in the Philippines — A Call to End Digital Exploitation

### Position:

The Philippine Congress must enact a total ban on online gambling, both offshore and domestic, to prevent further social decay, protect vulnerable citizens, and restore public accountability in our digital economy.

## **Context and Justification:**

Online gambling has transformed into a silent epidemic, no longer confined to shady corners or private dens, but aggressively marketed on public transport, social media, and even to our youth through smartphones. The result is a growing wave of addiction, broken families, bankrupt entrepreneurs, and false hope — all while a heavily taxed industry continues to claim legitimacy through supposed revenue gains.

While it's true that the online gambling sector contributes around Php 51.8 billion in revenues in just the first quarter of 2025, and is taxed at 35% to 38% (Insider PH, 2025; Inquirer, 2025b), this economic justification collapses when weighed against its deep and destructive social cost. These billions are not free money. They are extracted from Filipinos' desperation, dreams, and vulnerabilities — from tricycle drivers betting away their day's income, to young people being hooked by flashy apps, to entrepreneurs and millionaires losing fortunes that could have built legitimate businesses and jobs.

A recent feature (<u>Inquirer, 2025a</u>) reveals how one successful businessman, a self-made millionaire, was undone by online gambling. The ripple effects extended beyond his personal ruin — they threatened the jobs of his employees, the financial stability of his family, and his entire enterprise.

## **Regulation is Not Enough:**

Despite existing regulation and taxation, the damage persists — precisely because the product is inherently harmful. Regulation cannot change the fact that online gambling is designed to addict, available 24/7, and tailored to exploit the most vulnerable members of our society.

The State cannot continue justifying its role as a beneficiary of destruction, profiting from activities that ruin lives while claiming to fund social services.

## There Is a Better Way: Empower the BIR, Not the Gambling Industry

If the goal is to fund social programs, online gambling is not our only path — and certainly not our best one. Instead of relying on this ethically compromised source of income, the government should strengthen the Bureau of Internal Revenue (BIR) and modernize its systems for tax collection.

Experts estimate that up to Php 500 billion in additional revenue could be raised annually through improved tax compliance, stricter enforcement, and digitalization (<u>BusinessWorld</u>, 2023). That is nearly ten times what online gambling provides in a quarter — and it would come from legitimate sources of productivity, not from exploiting human weakness.

## **Online Gambling is Structurally Predatory:**

- Hyper-accessible through mobile phones and social media, especially among the youth and working class.
- Targeting the Poor, who are lured by unrealistic dreams of instant wealth.
- Addictive by Design, using psychological tricks to encourage compulsive behavior.
- Socially Destructive, linked to debt, domestic violence, job loss, and mental health crises.

### Conclusion:

We do not need blood money to fund our nation's needs. The Philippines deserves a revenue strategy rooted in dignity, fairness, and justice — not in addiction and destruction.

Online gambling must be banned in full. The temporary economic benefit does not and will never justify the permanent social damage it causes. The real solution lies in empowering the BIR to collect rightful taxes from value-creating industries, rather than surrendering to the easy, corrosive profits of vice.

No more compromises. Ban online gambling now.