

8 February 2011

Committee Secretary  
Joint Select Committee on Gambling Reform  
PO Box 6100  
Parliament House  
Canberra ACT 2600  
Australia

## **GAMBLING CARD INITIATIVE**

I have been following the above debate and observing the interests and commentary around things like biometrics.

Datacard (<http://www.datacard.com>) **invented** the mass issuance technology that is used for every financial card issued in Australia and New Zealand for banks, building societies and credit unions. My colleague, and erstwhile friend, Dr. Tim Richards, in the United Kingdom, **co-invented and patented** the technology that enables us all to use those cards in an ATM or EFTPOS machine anywhere in the world.

Every day millions of financial instruments are produced in Australia and across the world using Datacard technology, including membership and loyalty cards in the club and casino industry.

I heard the largest manufacturer of poker machines say that to convert all of the machines in Australia would take fourteen years and cost a fright of money.

The first thing that struck my mind was – why convert the machines at all?

It seems that dealing with gambling is actually an exercise in financial assessment and restraint. Does a financial institution give out a credit card without an assessment, do they issue debit cards without having the money? Why then is a gambling card any different, just another form of credit for use? Who is best to assess, to police and control this initiative?

**Tie the card to separate gambling card to the individual's personal financial system** as if this were just another instrument.

The individual applies to a financial institution for the card under government regulations. They cannot purchase a debit card or obtain one outside of their financial institution's assessment against their worthiness and capability.

The financial provider issues the card to the user and the card is presented at the cashier desk in the gambling enterprise to obtain tokens, coins or cash. Just as an ATM limits withdrawals in any day so too can a gambling card that is really (underneath) a credit, or debit, instrument. This is a financial purchase transaction for which the financial institution collects a fee for the transaction like any other.

The only technology required is an EFTPOS machine which the venue already has and the communication link to the issuing institution's financial system.

Visitors to Australia are exempt or can also be issued with an on the spot instant issued card against their passport and a credit limit.

**Implementation time:** a matter of months to write the regulations and negotiate with the financial institutions.

Naturally there will be people who have no association with a bank or have no credit and in this case you will have to develop a mechanism which is not unlike the current retail card used in the welfare system to direct spending habits.

Yours sincerely

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