



14 October 2011

Committee Secretary  
Joint Select Committee on Gambling Reform  
Parliament House  
CANBERRA ACT 2600

Dear Committee Secretary

**SUBMISSION TO THE INQUIRY INTO THE INTERACTIVE GAMBLING AND BROADCASTING AMENDMENT (ONLINE TRANSACTIONS AND OTHER MEASURES) BILL 2011**

I write to provide a submission in relation to the *Interactive Gambling and Broadcasting Amendment (Online Transactions and Other Measures) Bill 2011* (Bill) that independent Senator Nick Xenophon has introduced into the Parliament and which is currently being considered by the Joint Select Committee on Gambling Reform (Joint Committee).

It is our strong advice that the provisions of the Bill are unworkable from the perspective of how “regulated transactions” (as defined by the Bill) actually occur.

The Bill ostensibly rests on the proposition that “regulated transactions”, when used to procure online gambling (the provision of which is prohibited), can be “suspended” or “cancelled” after a transaction has “commenced but has not been completed” and as requested by the “customer” (section 15B). This is the central proposed measure of the Bill. This provision rests on several false understandings of how the payments system works and the role played by transacting consumers within it.

First, whilst it is technically unclear what stage of a transaction cycle the Bill is referring to by “commenced but has not been completed”, if the

Level 42, AMP Centre  
50 Bridge Street  
Sydney NSW 2000  
Australia

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consumer has commenced a purchase but not finalised it, the non-completion of the transaction lies entirely in the hands of the consumer and there is no possible role for any financial services or payments provider at that time.

Immediately following online confirmation of a transaction by a consumer, the transaction has moved beyond “commenced but has not been completed”, making the entirety of section 15B, and therefore the core proposition of the Bill, inapplicable and therefore redundant.

We thank you for the opportunity to make this submission.

Yours sincerely

**Adam Wand**

Head of Public Affairs

Australia, New Zealand and South Pacific