

**Regis Controls Pty Ltd**

# **Presentation**

**Joint Select Committee on Gambling Reform**

## Starting Point

2<sup>nd</sup> September 2010 Prime Minister's Agreement with Mr Wilkie MP

- Full pre-commitment using technology
- Implementation starting 2012
- Scheme rollout in 2014

*Clear and specific policy and delivery*

*Challenging timescale*

*Little or no room for manoeuvre*

*Commonwealth Government responsibility*

*(consult States/Territories via COAG/SCGR)*

## Issues

- Technology
- Costs
- Implementation
- Impact
- Risk minimisation

## Technology

	Mag Stripe	Smartcard	USB Device
Memory capacity	≤1KB	1 -512KB	1- 32GB
Unit cost	\$1-2	\$2-10	\$5-50
Encryption	Min	RSA/3DES	RSA/DES
Biometrics	No	Yes	Yes
Multiple Apps	No	Yes	Yes
Used for pre-commitment now	No	9 countries	No
Used in EGMs in Australia	Yes (50%+)	Yes (50%+)	No

## Biometrics

- 20-30% failure rate potentially per EGM
- 10-12% population no recordable fingerprint
- Biometrics Cost 5X non biometric
- Back up systems too expensive
- Reduces card sharing
- Venue response to 20-30% USB and/or card biometric failure???
- Public acceptance and political implications???
- **VERY HIGH RISK SOLUTION (60%+ LIKELY SCHEME FAILURE )**

## Implementation

- Next step: recommendations and draft legislation
- Establish a National Gambling Regulatory Authority
- Develop national EGM standard in 12 months  
*(WILL reduce EGM prices by 10-15%)*
- ‘Manage/fund’ one State pilot
- Consult/advise industry on requirements
- EOI with potential scheme operators/suppliers
- Draft generic tender (disaggregated/best of breed procurement)
- Exclude existing gambling providers from response

## Costs

- Depends on:
  - Biometrics
  - Photo on card
  - Other apps on card (loyalty/membership)
  - National EGM standard by June 2012
  - Best of breed tendering e.g. best card supplier, best card issuer, etc
- 90%+ of installed EGMs should be smartcard enabled by 2016 (and 10-15% cheaper)
- Industry quiet on cost savings (Standardisation/existing smartcard/loyalty card installation/cash handling, etc)

## Impact

- 5 methods to reduce card sharing
- Potentially 50% reduction in problem gambling (IF mandatory limit)
- Solution must be extensible to other forms of electronic gambling in longer term:
  - Internet
  - Pay-TV
  - Mobiles
  - Other



## Risk Minimisation

- National EGM standard (within 18 months)
- Defer biometric adoption
- Adopt proven technology (smartcard)
- Consult industry
- EOI process
- Disaggregated procurement (best of breed)
- **REGIS PATENTED SOLUTION FULFILS PROPOSED REQUIREMENTS**