Banks oppose net bet card ban
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MAY 04, 2004
This report appears on australianIT.com.au.

BANKERS have dismissed a proposal to block Australian punters from using credit cards at online casinos, arguing their customers should be allowed to "spend their money how they choose".

A proposal to enforce the ban on foreign online gambling sites by blocking credit-card transactions is being considered by the Federal Government as part of a review of the Interactive Gambling Act.

A spokeswoman for Communications Minister Daryl Williams said the much-anticipated review would be completed "shortly".

The 2001 legislation made gambling at casino-style sites illegal, but many internet users are flouting the restrictions by using foreign sites.

The Australian Bankers' Association has rejected the transaction-block plan, warning banks should not be forced to become moral arbiters.

"We don't think the payments system should be used to block transactions, because if it's used in one area it could be used in others," an ABA spokeswoman said.

"If the Government decides to block a gambling transaction it could be used to block other transactions — we don't think the payments system should be used for that.

"You choose to spend your money how you choose — why should anyone direct you?"

The bankers warn a ban would be difficult to enforce.

Although internet gambling merchants are identified by credit-card companies with a special code, some conceal their identities by pretending not to be involved in gambling.

"We don't think banks should be required to pay the cost of the online gambling problem," the ABA spokeswoman said.

A National Australia Bank spokeswoman said it was not possible to block transactions "with a great degree of accuracy" and there was a danger of blocking everything.

"For example, a newsagent selling lottery tickets could be blocked," she said.

The Commonwealth Bank, however, said a ban can be enforced.

"We support government regulations requiring credit-card issuers to identify and block illegal gambling transactions," consumer finance general manager Rod Hyde said.

"This is the most effective way of combating such transactions."

Visa and MasterCard have systems to identify internet gambling transactions, but warn it is up to the banks to decide how to use them.

At present "you will either under-block or over-block", MasterCard regulatory affairs director Albert Naffah said.

"If you want to be totally accurate, work needs to be done. Currently, all gambling providers are identified in the same manner, whether they be a casino or sports gambling."

A spokesman said Visa required gambling sites to clearly identify themselves.

A ban was strongly supported by opponents of gambling. "A ban would make a huge difference," Inter-church Gambling Taskforce chairman John Dalziel said.

It would stop 98 per cent of all internet gambling transactions, he said.