



P O Box 1210
Eastwood NSW 2122
12th February, 2010

Dear Mr Gary Banks,

Global Position Paper on ATMs in Gambling Institutions

My name is Sandra Smith, Executive Director of ATMIA Asia Pacific. I write to you to share a position paper on ATMs in gambling institutions. This is currently a contentious issue in Australia.

ATMIA (www.atmia.com) is a global non profit trade association with over 1050 members in about 50 countries, representing the full spectrum of the ATM industry. At present, we have 80 members within the Asia Pacific region, including APAC.

In regards to the Productivity Commission proposal to cut cash payments down to \$200 from the present \$2,000 limit and have ATMs/EFTPOS facilities moved to a reasonable distance from the gaming floor. ATMIA would like to reiterate why it does not support such a move for the reasons outlined in the attached international position paper. The unintended consequences of such a policy will be significant. Nor has this decision any hope of solving the core problem of gambling addictions. Addressing the root-causes of the matter is what is required from government and industry jointly.

The Association will gladly offer its services in support of finding a better solution with fewer unintended consequences.

I look forward to hearing from you once you have read this important industry paper.
Please feel free to call me any time should you have any questions.

Yours sincerely

Sandra Smith
Executive Director
ATMIA



Position Paper by ATMIA¹ on ATMs in Gambling Institutions

Many local authorities and governments the world over have expressed concern about the growing trend of gambling addictions. This can lead to high levels of debt, social & family stress and personal breakdown.

Complex social problems like this have multiple causes. Faced with this complex issue, some advocates of banning or restricting gambling propose over-simplified “solutions”, while others search for a scapegoat to blame.

Unfortunately, the presence of ATMs at gambling venues has been targeted at times in the public arena as a scapegoat for the problem of gambling addictions. It is the deeper causes of irresponsible gambling which need to be addressed, not the role of the ATM in supplying cash to a wide array of people working, shopping and dining in the same area as casinos.

ATMs are designed to dispense cash to bank customers and cardholders. They are not poker or gambling machines. It is illogical to think that ATMs can feed the habit of gambling.

A problem gambler will gain access to their banking funds regardless of whether there is an ATM in the gaming location. For example, they can bring pre-withdrawn cash with them or use an EFTPOS Cash Out arrangement on the premises. One cannot prevent a person from accessing his own banked money when they want to withdraw it.

The problem is excessive gambling, not the ATM. Advocates of banning ATMs from gambling locations are addressing the wrong issue. They are using one-dimensional thinking. It can be categorically stated that banning ATMs from gambling venues will not solve the root-causes of the gambling problem.

¹ ATMIA (www.atmia.com) is a 10 year-old independent, non-profit trade association with over 1050 members in just under 50 countries. It was established in 1997 in America and has since founded chapters in every regional ATM market in the world, including in Australia. Its mission statement reads: “As an independent, non-profit trade association, our mission is: to promote ATM convenience, growth and usage worldwide; to protect the ATM industry's assets, interests, good name and public trust; and to provide education, best practices, political voice and networking opportunities for member organizations.”

In addition, this strategy can cause several unintended consequences and effects:

- It is inappropriate to penalize the companies and banks which deploy cash dispensers in places near to where people shop and spend their money, and who provide much-needed employment, by removing their machines because of the irresponsible behaviour of a small minority of people who gamble excessively.
- The retail outlets and restaurants linked to the casinos and hotels will suffer loss of business if ATMs are removed. Anecdotal research shows that the presence of ATMs in convenience locations can increase annual sales of nearby businesses by up to 20% *and higher*.
- ATMs serve a much wider public beyond the small number of problem gamblers, such as diners, shoppers, theatre goers, tourists and other entertainment-seekers.

In short, there are three groups who will suffer disadvantages as a result of the misguided idea of removing ATMs from gambling locations:

- owners of ATMs, and associated ATM businesses, deployed in these areas
- retailers and merchants in the same environment as casinos and clubs where gambling takes place, and,
- people wishing to withdraw their money in the same vicinity to spend there, who will then be forced, *at their own expense and inconvenience*, to go elsewhere to search for an ATM

Given that gambling addictions cannot be solved or alleviated by taking the ATM away from places of gambling, these adverse unintended consequences above are socially, economically and politically unacceptable.