

FONO interactive gambling

Exciting new digital gambling via all telecommunications: telephone, internet, fax and pay TV

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5 April 1999

Mr Robert Fitzgerald
Gambling inquiry
Productivity Commission
PO Box 80
Belconnen ACT 2616

Faxed: R.F
Orig : Gambling Team
cc : G Banks
2/4/99

Dear Mr Fitzgerald

I saw you quoted in the *Herald* as saying the Federal Government should regulate on-line gambling.

Few journalists realise the Federal Government already regulates gambling just like the states and territories, but not on their scale.

For instance:

- ▶ The Federal Government licenses the (temporarily closed) casino on Christmas Island which is under federal control.
- ▶ The Federal Government retains the power to strike down or not oppose any on-line gambling laws decided in Norfolk Island which is also under federal control
- ▶ The Federal Government is the government that will have to make decisions about gambling on airliners, another area of federal control.

The Federal Government doesn't involve itself in gambling matters outside its own areas of control. But telecommunications is very much a Federal Government area of control.

I am an entrepreneur setting up a new form of telecommunications gambling never before done anywhere in the world. It is called Fono ("phone-o") because its basic form is the dialling of phone digits in number games. Fono is also played through the internet, facsimile machines, pay TV and digital set-tops.

I have approached the Federal Government several times with the concept that through its gambling administration arm, the Commonwealth Casino Surveillance Authority, the Federal Government could control and tax all telecommunications gambling.

I am not suggesting it take over TAB phone or internet gambling, because the gambling form itself (animals racing) is not within the telecommunications being used. But where the gambling form is within the telecommunications system itself, those forms should belong to the Commonwealth.

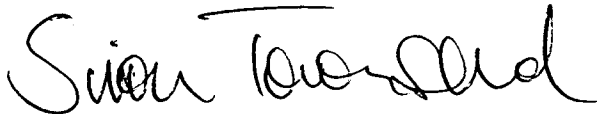
It all makes sense.

But the politics are a greater reality.

The Prime Minister has personal opposition to gambling and would not want his government to be perceived as expanding gambling. And of course the states and territories would oppose any federal move into it traditional control and taxing of gambling.

I would be pleased to give evidence to your inquiry if that was appropriate at this late stage.

Regards

A handwritten signature in black ink that reads "Simon Townsend". The signature is written in a cursive style with a long horizontal stroke above the first few letters.

SIMON TOWNSEND

Director

Fono Pty Ltd