

## **Bumper Alliance for Gambling Reform Newsletter**

Dear Supporters, welcome to the first Alliance for Gambling Reform email newsletter for 2018. We've got 8 lively stories for you today and, given that so much is happening in the gambling space, we will be back with another couple of editions before the Tasmanians go to the polls on March 3.

- 1. Shonica Guy vs Crown and Aristocrat – decision this Friday**
- 2. Become a Champion for Change**
- 3. It's all happening in NSW**
- 4. Tasmania goes to the polls**
- 5. The Beach Hotel at Byron goes proudly pokies free**
- 6. Stuart McDonald explains his pokies tilt at the Bulldogs board**
- 7. Stand by for another deluge of political donations data**
- 8. Victorian licence renewal – just say no**

### **1. Decision Day on Friday in the great Federal Court pokies trial**

Gambling journalists were yesterday tweeting that Justice Deborah Mortimer will be handing down her decision in the [great pokies trial](#) at noon in the Federal Court on Friday

For comprehensive background on the case and a range of links, revisit the September 2017 [Alliance newsletter](#).

There is room for about 60 people in the public gallery of court 8A in the Federal Court in Melbourne, so why not come along to support the brave plaintiff Shonica Guy and watch the judge explain her decision.

A door stop press conference involving Shonica and Jennifer Kanis from law firm Maurice Blackburn will be held outside the court once the decision has been digested.

The landmark case comes at a fascinating time for gambling regulation in a country which suffers annual losses of \$23.6 billion and more losses per capita than any other people in the world.

Tasmanian voters will decide on March 3 whether to remove pokies from pubs and clubs across their state and on March 17 South Australian voters are expected to give anti-pokies powerhouse Nick Xenophon balance of power for the next 4 years.

The hard-hitting Xenophon pokies policy is expected to be released soon with the decision of the Federal Court potentially playing into the detail.

Meanwhile, over in Britain, the Conservative Government is reportedly about to slash the maximum bet on the UK equivalent of poker machines from 100 pounds to just 2 pounds.

NSW is Australia's most gambling captured jurisdiction with 92,000 pokies and close to \$7 billion in annual losses. Surely even the NSW Government won't be able to maintain its "do nothing" approach if a Federal Court judge finds the deliberately addictive products misleading and deceptive under Australian consumer law, amounting to unconscionable conduct by the defendants, Aristocrat Leisure and Crown Resorts.

### **2. Join Shonica Guy in becoming a Champion for Change**

The Alliance's Champions for Change program is set to take off into its next exciting phase in Victoria.

The program is aimed at building a national network of people with a lived experience of gambling harm who are effective advocates for long overdue reform.

Think of Anna Bardsley [taking on James Packer](#) at the Crown AGM or Shonica Guy litigating Aristocrat and Crown through the Federal Court.

Training for new Champs will be happening on Saturday 24<sup>th</sup> and Sunday 25<sup>th</sup> of February at the Melbourne Multicultural Hub, 506 Elizabeth St Melbourne.

The Adelaide training was a great success and a lot of fun, with participants learning new skills, building networks and coming up with great plans for reform actions in South Australia, where we've got an election on March 17.

It is not too late for anyone with lived experience of gambling harm who'd like to be part of the reform movement in Victoria to join the training. Just contact Diana O'Neil on 0405 917 912 or email her on [diana@agr.org.au](mailto:diana@agr.org.au).

### **3. Action aplenty in NSW**

Gambling reform, at the grassroots level, is going off like a rocket in NSW since our new campaigner, Kate da Costa, started work late last year. Following on from the Northern Beaches [council's decision](#) to ask the state government for a cap on poker machine numbers, the Alliance is supporting council staff in the drafting of a plan for a gambling harm minimisation strategy. We are providing statistics and comparative data based on the numerous Victorian council gambling policies, and are confident that a strong plan will be presented to councillors in a couple of months.

Two applications for increased poker machine numbers have attracted our attention over the summer. Club Marconi Bossley Park is attempting to exploit a loophole in the regulations that allows new clubs in greenfields developments to kick start operations with up to 150 poker machines. This is an outrageous provision in itself, but Club Marconi has taken it to new heights by claiming that their proposed new club in Narellan (founded 1826) fits the criteria because there's a new housing estate about 850 metres away. They conveniently have ignored the three country clubs on the housing estate which we are pleased to note offer residents a range of facilities without a single poker machine. And they ignored the 400-plus pokies within 5kms of the proposed new club, let alone the range of existing facilities in Camden, Narellan and nearby Campbelltown. Local community members and councillors had no idea this proposal had been lodged until the Alliance alerted them to the fact, and helped arrange an extension of time for submissions until the end of January. As [this submission](#) shows, we've put a lot of effort into this one, because south-west Sydney has numerous new or planned housing estates, and we're worried that other clubs and hotels will try to take advantage of the loophole. Independent Councillor [Eva Campbell](#) is going to make sure that no other proposal sneaks up on Camden councillors like this one did. You can see [the coverage](#) in the local *Wollondilly Daily Reporter* – we especially like the pic of Eva trying to read the mandatory notice which was placed upside down on a fence in a paddock by Club Marconi.

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Fairfield local government area has a low socio-economic ABS ranking, and the third highest number of poker machines of any council area in NSW – 3826 machines, meaning one for every 51 residents, much worse than the pretty terrible state average of 1:81. Fairfield Hotel has applied for an additional 7 poker machines. It doesn't sound much, but in a state with over 92,000 machines, none of us, especially Fairfield residents, needs a single extra machine. The applicant, Dan O'Hara, is claiming a bunch of benefits for residents, including the cost of the Hotel's mandatory harm

minimisation advertising! They're really a long way away from the Alliance focus on gambling harm as a public health issue – as part of Dan's boast about what a fab venue the Fairfield Hotel is, he proudly lists the Hotel's position as a 2012 finalist in the industry AHA awards, in the Outdoor venue category (ie the smoking area out the back where most of their existing poker machines are situated – yes, you can do that in NSW!). That particular award was sponsored by British America Tobacco. These guys just don't get it – but we're making sure our submission spells out the harm caused by gambling and appealing to the Independent Liquor and Gaming Authority to deny the application.

Next stops – more direct community engagement in Fairfield, Canterbury-Bankstown and the Central Coast as we begin to create a public conversation about gambling reform. And some side trips to places like Shellharbour, where the council owned and operated golf club has, besides a drive in bottle-o, 10 pokies and a plan to buy another 10!

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As for the gambling-captured NSW Government, they've been rolling out the familiar "Friday dump" in an attempt to bury bad news when no-one is watching.

The latest example was this [NSW Government press release](#), which simultaneously buried a 9 month old [study into cash withdrawals](#), dropped a 9 month old [study into self exclusion programs](#) and dramatically changed the personnel on the Responsible Gambling Fund trust. It was sent out at about 3pm on Friday, January 19 and sunk like a stone, as was intended. All this from the most pokies-saturated and harmed jurisdiction in the world.

We had a look back at the [past 3 months of media releases](#) from ILGA - the NSW "Independent" Liquor and Gaming Authority – and noticed that there is little meaty news at all on gambling but the Friday trend is definitely apparent given the following releases:

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[New gaming monitoring system finally launched](#)

Friday, December 1, 2017

[New study on problem gambling as 2 year old harm report finally dropped](#)

Friday, October 27, 2017

There is clearly loads of work to do in NSW so please contact [kate@agr.org.au](mailto:kate@agr.org.au) if you want to give us a hand or [diana@agr.org.au](mailto:diana@agr.org.au) if you have experience of the harm gambling can do and would like to learn how to tell your story in your community.

#### **4. Tasmania can set a powerful precedent for the nation**

The Tasmanian election has been formally called and the nation is watching the pokies debate with great interest as Labor boldly moves forward with a policy of removing all machines from pubs and clubs by 2023.

In Tasmania, we're picking up speed and working with community groups on the ground to campaign for policy which reduces poker machine related harm in Tasmania. Stay tuned over the next few weeks as we'll be calling on everyone in the country to get involved and make history in Tassie! [Click here](#) to see our Tasmania action page and if you're in Tasmania and would like to learn more about pokies in your electorate and the write to your MP, [click here!](#)

The full Labor policy package is available [here](#).

You can also see what the [Tasmanian Greens](#) and [Jacqui Lambie](#) are saying on gambling.

The Liberal Government responded with a [disappointing pro-pokies policy](#) which will see pokies ownership move to the more dangerous, profitable and competitive venue-owned model. Stand by for even more harm and a potential move by Woolworths to swoop in and become the biggest pokies operator in Tasmania, like it is in Victoria, South Australia, NSW and Queensland.

Woolworths are Australia's most ruthless pokies operator but they only have 5 venues in Tasmania, although this still constitutes more than 10% of the losses across the 91 pubs and 6 clubs with pokies.

If the venue-owned model is introduced this would make owning pubs more lucrative and Woolworths could well be tempted to make an offer for the 35 Tasmanian pubs owned by local pubs mogul Peter Dixon, 22 of which have poker machines.

Mr Dixon [posed for photos](#) with Peter Gutwein at one of his Launceston pubs earlier this month and it would not surprise if he was a generous donor to the Liberal campaign given the extra value he would reap from their policy.

The same goes for Michael Best, the wealthy pubs mogul who has been authorising controversial political billboards intended to deliver new laws that lift the value of the 9 pokies pubs owned by his Goodstone group which have 265 pokies if you can believe this [anti-reform submission](#) he made to the Parliamentary inquiry into gambling regulation in Tasmania.

And speaking of harm, after first denying the [3 yearly harm report](#) even existed, the embarrassed Tasmanian Treasurer and Gaming Minister Peter Gutwein released it three weeks ago and was left even more red-faced when it stated that there was only 317 direct jobs associated with pokies in the Tasmanian pub and club sector.

This contrasted with the ridiculous scare campaign of 5500 job pushed by the monopolists Federal Hotels and then backed up by the Liberal Government.

James Boyce, author of the fabulous book ["Losing streak: how Tasmania was gamed by the gambling industry"](#), has been providing an excellent fact checking service through his [Twitter account](#) as the pokies industry makes all sorts of misleading claims.

## **5. The Beach Hotel at Byron going proudly pokies free**

[Impact Investment Group](#) (IIG) is set to buy the Byron Bay Beach Hotel, and part of their impact agenda is removing all gaming machines! What a great precedent for Clubs NSW, the Australian Hotels Association, the Catholic Church, Woolworths, the ALP, various sporting associations, the RSL and the many other institutions which operate poker machine venues in Australia.

The famously independent and feisty local paper, *The Echo*, [reported the story](#) on Wednesday and the always excellent Pro Bono Australia also produced [this account](#).

IIG is an Australian funds manager that combines attractive investments with environmental and social benefits. Alongside their pokies divestment, they're aiming to upgrade the accommodation, dining options, reduce the waste and take the hotel carbon and water neutral.

You can see more about their plans for the Byron Bay Beach Hotel [here](#) and in this [investment brochure](#). Please note the brochure is only included for information purposes regarding their anti-gaming proposal. If you'd like to know more, or even potentially invest, you can get in touch with them directly here: [enquiries@impact-group.com.au](mailto:enquiries@impact-group.com.au).

The Alliance is looking forward to working with the IIG team and the operators of the Byron Bay Beach Hotel to leverage this moment and work with the local council to further our campaign efforts!

Our spokesman and director Tim Costello is visiting the venue on Friday ahead of the removal of the poker machines when the \$70 million sale settles on February 28.

## **6. Stuart McDonald runs for the Western Bulldogs board**

As this [AFL pokies fact sheet](#) shows, the Western Bulldogs run 2 pokies venues with 60 machines that collectively drained \$5.92 million from the Victorian community in 2016-17.

Alliance volunteer and keen Bulldogs fan Stuart McDonald took it upon himself to nominate for the board on a platform that the board should emulate North Melbourne's commendable stand and quit the pokies industry.

Sadly, the Bulldogs grossly censored Stuart's platform in the notice of meeting, failing to even inform voting members about Stuart's pokies platform.

It was instead distributed by Stuart through various social media platforms including this [discussion thread](#) on Bigfooty.com.

*The Age* [picked up the story](#) shortly before the AGM commenced at 5.30pm last Tuesday and ran it as a page lead in Wednesday's paper. Enough from us, let's hear from Stuart on the whole experience:

*My name is Stuart McDonald. I'm a poker machine addict, and a member of the Alliance for Gambling reform. Inspired by my wonder colleague Dr Susan Rennie, who [made a powerful speech at the Woolworths AGM](#) regarding their ownership of pokies, I decided to nominate myself as a director of the Western Bulldogs Football Club. The Bulldogs operate poker machines, as do all the other Victorian AFL clubs apart from North Melbourne. I love my footy club, but I hate the pokies.*

*Nominating as a board member is really simple, although the club hide the information deep in their website. You just hunt around, download [the appropriate form](#), print it out and get two fellow members to back your application. The Dogs were hosting an open training session just before Christmas, so I approached a couple of ladies and said 'Excuse me, but do you like poker machines?' No, they did not like poker machines and they happily countersigned my form. Thanks Gladys and Glynnis.*

*Since I was at the Whitten Oval I dropped the forms off at the front desk, but to make sure they got them I posted and emailed them through too. A couple of days later I received a call from the rather agitated CEO, Ameet Bains, in which he strongly discouraged me from running. His main argument was that board elections were usually uncontested, and that for me to run would cost the club \$25,000. I wavered, but after I called Susan Rennie and a brief pep talk, I hardened up and decided to run. It later transpired that the \$25,000 had been spent on employing two scrutineers from Ernst & Young, but more of that later.*

*The three board nominees were myself; Chris Nolan, an advertising executive; and Matthew Croft, an ex-Bulldogs player. I arrived at the AGM at the appointed hour. For some strange reason, my speech was first up, something that I'm told never happens to challenging candidates at public company AGMs. The first part consisted of me reading [this document](#), as it had originally formed my nomination pitch to members, but the Bulldogs hierarchy only allowed me to put the first two*

paragraphs on their website. Then I launched into a very passionate speech. I told the club their ownership of poker machines was shameful and [hypocritical](#). I detailed how gambling had affected my life so adversely. I asked for a concrete, five year plan to get out of the poker machine industry.

When I got down from the dais, there was a smattering of applause and a look of shock from some attendees, especially a group of well dressed elderly people in the front row, mouths agape. I tried to connect with some of the attendees, but many averted their gaze, and it was impossible to talk while all the other speeches were on. There were a lot of speeches. I had been told that the AGM was only going to last for an hour, and it lasted well over two.

What surprised me was that a large part of rest the AGM was devoted to little old me. I must have really struck a nerve. The next speaker, board nominee Chris Nolan, spent the first part of his speech belittling me as a 'single issue candidate' who didn't have the experience to run as a board member. He then made a long speech about how wonderful everything was at the club. He defended the club's stance on poker machines, and told us they 'aspired' to get rid of them but only at a time of their choosing. I waited for the next nominee, Matthew Croft, to make his speech but he stayed rooted to his chair. I have no idea why he didn't speak. Did he have laryngitis? I found this strange, and I wonder if anyone else at the AGM did so too.

We then went to the vote. This process was rather quaint. Everyone was given a different coloured card with the names of the three nominees. They were asked to raise the cards with their chosen nominees above their heads, as club officials roamed around to collect them. There were lots of Matthew Croft and Chris Nolan cards, but few, if any, for Stuart McDonald. I wonder if the ballot had been private rather than so public, just how many more votes I would have received. There was an unsettling element of groupthink.

President Peter Gordon then talked for a very long time. I love Peter, he saved our club from extinction, but by golly he could speak underwater. He devoted several minutes of his speech to my campaign, particularly a comment I had made on [bigfooty.com](#) where I'd accused the club of treating members like mushrooms over the [failed Edgewater development](#). I must have really annoyed him off because he defended himself very strongly.

The tone changed when Mr Gordon said that I reminded him of himself, and that he was 'ambivalent' about my stance. He got nostalgic and went back to 1988, when he became determined that our club should stay at the ancestral Whitten Oval when the then VFL wanted to move our club to Princes Park in Carlton. He reminded the listeners that he was a single-issue campaigner himself, and even though he didn't know how to change things he formed a grassroots campaign. I get the impression that even though I'm a pain in the backside, he respects me for having a go.

After a while, it was announced that Chris Nolan and Matthew Croft were duly elected to the board. I'll have to take the club's word on that, as the voting tallies weren't announced, nor was there any mention of the proxy vote. I found it a strange way to run an election. What did the two scrutineers from Ernst & Young do to earn their \$25,000? Easy money.

I had my two children, aged seven months and two years with me, who behaved very patiently for what must have been a terribly boring outing for them. I had been told that the AGM would last an hour, but two hours later, after the umpteenth speech, the kids were desperate to go home. As was I. So I left without mingling and chatting to the board and members, unfortunately.

*[The club's report of the AGM is here](#); I've been airbrushed out of history. Perhaps a man dressed in red white and blue will bundle me into a car one day as I'm walking down the street and ferry me to a remote Bulldogs camp for 're-education'*

*Meanwhile, let's hope the Bulldogs board sees the light and decides not to sign up for another 20 years of licences when the February 28 deadline comes around.*

## **7. Stand by for the annual donations dump on Thursday**

When it comes to transparency and regulation, Australia has the democratic world's worst system of campaign finance, as was noted in this [Crikey story](#) yesterday.

Each year on February 1, a deluge of incomplete and out of date data is [dumped here](#) on the AEC website at 9am.

That means that tomorrow we will finally be given a partial look at who funded Australia's registered political parties in the 2016-17 financial year. Yes, 19 months after the 2016 Federal election Malcolm Turnbull will belatedly formally disclose the \$2 million personal donation he made to the Liberals.

To illustrate just how incomplete these disclosures are, consider this [2015-16 return](#) filed by the Victorian Nationals. We've picked the Nationals because they showed no interest in pokies reform during the recent Victorian legislation and the influential Victorian CEO of the Australian Hotels Association, Paddy O'Sullivan, is the brother of the even more influential Victorian Nationals MP and former Nationals state director Luke O'Sullivan.

Anyway, the Victorian Nationals declared [total revenue of \\$841,596](#) in 2015-16, back when Luke O'Sullivan was still chief of staff to Nationals leader Peter Walsh. However, the Nationals only disclosed 4 sources of those funds totalling \$109,327 and none of them were external donors.

This means that \$732,269 or some 87% of total revenue was not disclosed – most of this would have been revenue from donations, event and fundraisers where the individual contribution was less than the \$13,000 disclosure threshold.

And which industry is believed to be one of the largest secret donors to the Nationals – the pokies industry of course, co-ordinated by the likes of the AHA and Clubs NSW whereby individual clubs and pubs, along with their directors, executives and proprietors, make lots of undisclosed small donations which add up to a meaningful sum.

The same trend can be seen in Tasmania where the Liberals [disclosed total revenue](#) of \$2.805 million in 2015-16 but only identified specific [donations worth \\$356,500](#).

Transparency over just 12.7% of revenue is a complete joke and once again we suspect the gaming industry has a large presence in that \$2.45 million in undisclosed income. And it will only get worse now.

As the pokies industry pours money directly to the Tasmanian Liberals and into their own well-resourced advertising and influencing campaigns, it would be well worth some persistent journalists seeking direct answers from the parties and the industry on exactly who is funding what.

The data dump on February 1 each year will provide some insight, but it remains hopelessly incomplete and Tasmania should be introducing its own disclosure laws like NSW and Queensland have already done and Victoria is promising to do in 2018.

The Alliance believes the Victorian law should specifically ban all licensed gambling operators and their directors from donating to registered Victorian political parties. Only then will the stench of gambling industry influence-peddling begin to lift.

### **8. Deadline approaching for Victorian pokies renewal**

Victoria's 502 pokies pubs and clubs have until February 28 to indicate whether they'd like to take up a new 20 year pokies entitlement through until August 2042.

The previous Labor Government copped a scathing [114 page Auditor General's report](#) in 2011 on the competitive auction process for pokies licences, which contributed to a completely different model being used for the first ever venue-owned pokies renewal process in Australia.

Victoria and Tasmania are the only two Australian jurisdictions which don't have perpetual licences and the Tasmanian Liberal Government is proposing to abolish the Federal Group monopoly and move to a venue-owned model.

The Alliance is writing to Victorian venues encouraging them to either not renew their licences or ask for a lower number than they currently. Councils are also encouraged to do the same.

Check out [this spreadsheet](#) listing all Victorian 502 venues, with annual losses, machine numbers and the local government area. Why not contact your local venue and encourage them to reduce their future exposure to the pokies?

The Victorian Government is expecting to pocket almost \$50 million from this process by the end of the month, with more than \$10 million of this coming from Woolworths which generates about 25% of Victoria's \$2.61 billion of annual pokies losses through its 81 pokies venues.

That's all for now.

Do ya best, The Alliance team.