

THE POKIES PLAY YOU

Alliance calls for pokies plan delay, upper house inquiry

Tuesday, September 26, 2017

The Alliance for Gambling Reform today called on the Victorian Government to delay its controversial poker machine legislation to allow time for community input about significant amendments to what is proposed and a thorough upper house inquiry involving all political parties.

The [103 pages of legislation](#) was released last Wednesday and representatives of The Alliance met with the Gaming Minister's office on Thursday for a briefing on the plan to lock in pokies until 2042, which will see Victorians lose an estimated \$70 billion on the pokies over the next in 25 years.

Now that legislation is before the Parliament, The Alliance has considered it carefully and is calling on all political parties and MPs to support an upper house inquiry to allow all interested parties, including those who've been harmed by poker machines, an opportunity to present to a broad cross-section of political representatives.

At the very least, the legislation should not be passed before the November 18 Northcote by-election and the Federal Court decision on the [current case](#) brought by Shonica Guy against Crown and Aristocrat alleging pokies machines are misleading and deceptive. The closing submissions before Justice Mortimer will be held on Tuesday through Thursday this week.

Alliance spokesperson and director Tim Costello said the expiry of the existing 27,500 pokies entitlements on August 16, 2022, represents a once in a generation opportunity to reduce the incidence of family violence and the variety of other public health harms which have flowed from the \$50 billion-plus in losses over the first 25 years of pokies in Victoria.

"The late Joan Kirner declared legalising pokies was one of her biggest mistakes," Mr Costello said. "The current generation of state MPs need to pause and reflect on whether they want to vote for another 25 years of state-sponsored community abuse, especially right now with the pokies on trial in the Federal Court for being misleading and deceptive."

"There is a strong argument that the Government has no mandate to do this as these proposals were not discussed before the 2014 state election, when the Labor Party did not even release a gambling policy from opposition."

"The legislation hasn't even been debated yet and the Government is already telling pokies venues such as [AFL clubs](#) that they will have to begin paying up for 20 year entitlements in February 2018, four and a half years before the current licences expire."

“The draft legislation is manifestly inadequate, so it is time for Victoria’s 138 MPs to hear the voices of the victims, not just the powerful pokies industry figures with their regular access, political donations and well-connected executives.”

The Alliance has today released 15 significant amendments to the proposed system which it would like explored in the upper house inquiry. Mr Costello said The Alliance will be engaging across the political spectrum in the days and weeks ahead to secure meaningful improvements which will reduce inequality, protect vulnerable communities and show NSW that Victoria’s political institutions are not also captured by the powerful gambling lobby.

15 legislative amendments proposed by The Alliance

1. A reduction in maximum bets from \$5 to \$1 in line with recommendations from the Productivity Commission and the endorsed position of Coles. It is currently \$10 at Crown, along with NSW and Queensland.
2. After considering the upcoming Federal Court judgment, embracing stricter controls over machines by better regulating the sophisticated and addictive features such as excessive free spins, losses disguised as wins and linked jackpots.
3. Requiring pokies venues (exc Crown) to close for at least 10 hours a day, unlike the current rules which see many of the 82 Victorian Woolworths pokies venues open in the middle of the night, utilising the full 20 hours a day permitted under existing rules.
4. Issuing 10 year entitlements which run until August 16, 2032, rather than the 20 year deal proposed which would cover 5 Parliamentary terms and lock in close to \$70 billion in losses based on the current system. The current entitlements were 10 year terms and the initial Tatts and Tabcorp licences were for 18 years.
5. Resisting the industry push for cashless gambling in pubs and clubs and reducing the maximum EFTPOS withdrawal to \$200 in any 24 hour period, matching the current Australian best practice in Tasmania. There is no present EFTPOS limit in Victoria and the government is at least proposing \$500.
6. Targeted mandatory reductions in machine numbers in the [worst hit local government](#) areas such as Brimbank, Whittlesea and Dandenong as part of a plan to reduce entitlement numbers (excluding Crown) from 27,500 to 20,000 from 2022. This could be achieved by reducing the maximum machine numbers in any venue from 105 to 80. There are currently less than 25 venues with more than 100 pokies.

7. Establishing a well-resourced and credentialed task force of state government and council planning offices to work with existing venues to re-purpose their properties away from pokies dependency by 2022, as pokies billionaire Bruce Mathieson is currently doing through a rezoning of his Yarra Valley Country Club in Manningham.
8. Embracing competitive neutrality in the clubs and pubs sector by substantially reducing the single maximum entitlements threshold for any hotel operator. The hotel cap is currently 4813 machines for a single operator or 35% of the total. It is proposed to lift the club cap from 420 to 840.
9. Maintaining the 50-50 entitlements split between pubs and clubs, rather than allowing hotels to buy up relinquished club entitlements.
10. Reducing Treasury's revenue driven approach to pokies policy and instead adopting a public health perspective with a target of reducing annual losses from the current rate of \$2.61 billion to below \$2 billion by 2022-23. Treasury should disclose revenue forecasts from its model, including the proposed pre-election budget boost from the early partial payment of entitlement renewal fees in February 2018.
11. Reducing overall venue numbers from 502 to no more than 400 after 2022 with councils actively involved in assisting venues, particularly clubs located on government land, transition away from reliance on gambling addiction to fund operations.
12. The 2016 study of gambling-related harm in Victoria sets the baseline which the culmination of all gambling policies should be measured against and the study should be repeated and published to demonstrate ongoing reduction in gambling harm.
13. Reform of the approval processes for more pokies so communities and local governments have a real say. (New Zealand's "sinking lid" model for poker machine licensing enables councils to set a gambling policy that reduces numbers by preventing licenses from being transferred and retiring licenses when a venue closes.)
14. Creating a duty of care for venue operators to do all they reasonably can to intervene when staff observe signs of gambling harm and distress.
15. Banning political donations from any entitlement holder, or their peak bodies, and introducing a two year cooling off period before any former MPs can work for an entitlement holder, similar to the provisions that apply to politicians in New Jersey.