

THE POKIES PLAY YOU

Has Victoria capitulated to Conroy & the foreign bookies?

Tuesday, September 18, 2018

The Alliance for Gambling Reform today called on the Victorian Labor government to explain why it had failed to prioritise the proposed new tax on foreign bookmakers in the final sitting week of the Legislative Council.

The government released the Legislative Council notice paper for today's session on Friday and told MPs to focus on the top 6 bills as its priority in the final week of sitting for the term. The point of consumption tax legislation (Gambling Regulation Amendment - wagering and Betting - Bill 2018) is listed at number 9.

The Alliance wrote to all Victorian MPs on Friday urging them to get this uncontroversial legislation through the Parliament so Victoria doesn't jeopardise a national rollout and the \$30 million a year tax on foreign bookmakers can commence on January 1, 2019, as promised.

Alliance director and spokesman Tim Costello urged Premier Daniel Andrews to change his mind and prioritise taxing the foreign bookmakers such Sportsbet, Beteasy and Ladbrokes, which are owned by multinational gambling giants collectively worth almost \$30 billion.

"The longer these gambling giants are left un-taxed, the more they will continue to deluge our kids with more than \$200 million a year in mainstream advertising," Mr Costello said.

"All mainland states are moving on this issue and it is bad enough that Victoria is proposing the lowest rate of 8%, but to then fail to legislate as promised is extremely disappointing."

"It is scandalous that the 24 licensed bookmakers and betting exchanges in the Northern Territory were only budgeted to pay a miserly \$5.4 million in taxes (see p80 of 2017-18 NT budget) to Territorians in 2017-18 when Australians are losing more than \$2 billion a year gambling with these companies."

"This tax is a no-brainer and it will send a terrible message if the Victorian Government caves to lobbying and lets the foreign bookmakers off the hook when the rest of the mainland states are all moving ahead and will have the tax in operation by January 1, 2019."

"These foreign companies should give a bit back to the Victorian community and their lobbyist, former Senator Stephen Conroy, should stop trying to pressure his Labor colleagues to abandon the tax, leaving it to the next Government to legislate."

“If the Government fails to progress this legislation it will raise questions such as whether political donations have been promised in exchange for delaying the imposition of a tax that will cost the industry an estimated \$3 million a month, if it is ever actually legislated.”

Mr Costello also called for the Liberal-National opposition in Victoria to make strong statements this week reaffirming their support for the bill and urging the government to bring on the debate in the Legislative Council.

“Matthew Guy should call for the government to bring on the legislation so both sides of politics can speedily back it in, even if that means the Legislative Council sitting on Friday,” Mr Costello said.

“If not, the Coalition should immediately promise to re-introduce this legislation and get it passed as one of the first acts of the new Parliament, if it is able to form a government.”

Background information

See [May 1 Alliance release](#) after 2018 state budget and [May 14 release](#) when tax was announced.

Also see p18 of this [presentation from Sportsbet](#) summarising the timetable and tax rates across Australia.

[Second reading speech](#) by Treasurer Tim Pallas on August 8, 2018.

[Second reading speech](#) by Labor’s Jaala Pulford in Legislative Council on August 24, 2018.

Shadow Treasurer Michael O’Brien’s speech in the Legislative Assembly (starts [p2979](#)) on August 22 noted that Coalition “do not propose to oppose this bill” and then urged the government to get on with it in these terms:

The fact that the government have left it until the Wednesday of the third-last sitting week before the election to debate a tax regime change — a significant tax regime change which they propose will commence operation on 1 January 2019 — does I think mean they have left their run very late. I do not know what the legislative program is like in the other place. I understand that there is quite a backlog. I do hope that this is one bill that, if unopposed, can make it through, because I do not think it is in the interests of bookmakers, the public or the racing industry to have continuing uncertainty about these arrangements pending the outcome of the election. With those words, I again confirm that the coalition will not be opposing the bill.

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