

THE POKIES PLAY YOU

NSW Coalition captured by gambling industry yet again

Monday, 15 October, 2018

The Alliance for Gambling Reform today condemned the NSW Coalition Government for capitulating to the gambling industry again and locking in up to \$30 billion worth of poker machine losses during the next term of Government in a new [Memorandum of Understanding](#) signed with Clubs NSW on Saturday.

Clubs NSW has today revealed the [full terms of the agreement](#), along with [a picture](#) of Premier Berejiklian and Racing Minister Paul Toole after signing the deal with Clubs NSW chair Peter Newell and CEO Anthony Ball on Saturday, coinciding with Responsible Gambling Awareness Week in NSW, which finished on Sunday.

The Alliance is shocked by the level of gambling industry capture on display in NSW, even after all the scandals of the past year involving Crown, Woolworths, The Steelers and the Opera House and given that NSW already suffers world record levels of gambling harm.

The most egregious aspects of the [latest MOU](#) include:

Doing little to make the machines less dangerous. For instance, promising to cut the maximum cash load up into a machine from \$7500 to \$5000 is laughable when the next worst Australian jurisdiction is Victoria at \$1000. This failure to act will continue to support substantial money laundering in NSW.

Retaining \$10 maximum bet pokies when all other states have moved to \$5 and the Productivity Commission has twice recommended the introduction of a \$1 maximum bet.

Further entrenching mini-casinos in NSW community life by linking additional state-funded services such as TAFEs and Service Kiosks, instead of funding these essential services to run in gambling-free locations in rural and regional NSW.

Leaving in the loophole that allows new clubs to open with 150 pokies and suggesting that the government may pressure the independent regulator to allow new pokies clubs to open when NSW already has 2600 pokies venues compared with just 500 in Victoria.

Freezing taxes for the next 4 years when NSW clubs already benefit from the lowest tax regime imposed on the pokies industry by any Australian state government. NSW taxpayers are missing out on an estimated \$500 million a year in revenue when compared with the Victorian model, which extracts approximately 44% of gambling losses for the taxpayer (including licence fees), compared with just 19% for clubs in NSW which has perpetual licences with no licence fees.

Giving a green light for even more dangerous and addictive gambling technologies to be rolled out at pokies clubs, including potential moves into move cashless gaming and video-gambling targeting younger people which could further increase annual NSW losses beyond the current level of almost \$7 billion a year.

Alliance for Gambling Reform director and spokesman Tim Costello made the following comments:

"Gladys Berejiklian has capitulated again to the gambling lobby by signing another Memorandum of Understanding with Clubs NSW which will prevent long-overdue pokies reform in NSW through until 2023."

"No other industry gets a special deal like this and when you consider NSW is the most gambling-captured jurisdiction in the world, the NSW Coalition should hang their heads in shame."

"Since the last MOU with Clubs NSW was signed in October 2014, about \$25 billion has been lost on NSW poker machines because the pokies industry has negotiated and maintained the weakest pokies regulations in the world."

"Saturday's signing ceremony was particularly disgraceful coming on the second last day of Responsible Gambling Awareness Week in NSW and coinciding with the running of the Everest race after the notorious Opera House saga which demonstrated to the world how the ruthless gambling industry has captured politicians in NSW."

"It is noteworthy that gambling industry lobbyist Stephen Conroy was a speaker at the Clubs NSW conference on Saturday and long-time gambling industry spruiker Alan Jones was the guest speaker on Sunday morning." (see p7 of [program](#))

"Gladys Berejiklian needs to explain why she has capitulated to the gambling industry twice in once week, rather than taking a public health approach to gambling harm and committing to real reforms to cut the nearly \$7 billion a year lost on the state's 92,000 pokies, which equates to more than \$1000 a year for every NSW resident."

Background information and coverage thus far since story broke on Sunday

[2018 Clubs NSW MOU](#)

[2014 Clubs NSW MOU](#)

[2010 Clubs NSW MOU](#)

[Sunday Telegraph](#) – October 14, 2018

[Ten News](#) – October 14, 2018

[Guardian Australia](#) – October 14, 2018

[Tim Costello interview with Bill Crews on 2GB](#) – October 14, 2018

[Machine men: how Clubs NSW and the AHA seek influence in NSW](#) – SMH, Sept 30, 2016

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