

THE POKIES PLAY YOU

Time to treat gambling like tobacco and ban all donations

Thursday, February 1, 2018

The Alliance for Gambling Reform today called for a complete ban on political donations by licenced gambling operators after the latest belated disclosures revealed another deluge of gambling cash hitting our major political parties in 2016-17.

With foreign contributions, financial services and developer donations all noticeably down, the gambling industry has once again climbed the league ladder of influence pedallers to now be near the top of the pile.

Alliance director and spokesman Tim Costello, who appeared before a parliamentary committee on political donations in Melbourne today, said Australia won't begin to address our world's worst gambling harm until the political funding tap is completely turned off.

Australians lost \$23.6 billion gambling in 2015-16 and with annual losses rising at about \$1 billion a year, the figure in 2018 is likely to reach \$26 billion.

"With the world's worst per capita losses of \$1000 a head, that's an awful lot of largesse for the industry to spread around and we've seen it again this year in the 2016-17 political donations data with gambling industry entities donating more than \$1.5 million. And that's only what we know about," Mr Costello said.

"There was 20 separate gambling industry donations to the Federal ALP in 2016-17 totalling \$330,650 and the Coalition parties pocketed almost \$1 million if you include the \$500,000 from Ros Packer, the mother of Crown Resorts controlling shareholder James Packer."

The Alliance identified the major gambling donors as follows:

Ros Packer: \$500,000 to Federal Liberals

Crown Resorts: \$209,964

Tabcorp: \$200,000

Clubs NSW and Clubs Australia: \$173,783

Australian Hotels Association: \$153,230

Responsible Wagering Australia: \$115,000

Sportsbet: \$66,000

Australian Wagering Council: \$27,500

The Alliance commended the Federal ALP for voluntarily dropping their 2016-17 disclosure threshold from the \$13,200 legal requirement to just \$1000, providing transparency over 96.47% of their revenue, or \$32.1 million of the \$32.3 million received.

The Queensland ALP was similarly transparent but the NSW Labor division – which is notoriously captured by the pokies industry – opted for the \$13,200 threshold creating a secretive veil over \$2.8 million of its \$8.24 million of declared revenue in 2016-17.

Mr Costello said NSW has long been the most pokies-captured jurisdiction and he was deeply suspicious that much of the undisclosed donations are coming from pokies interests.

“Since the NSW Coalition first signed the notorious Memorandum of Understanding with Clubs NSW before the 2011 state election, when you include free or subsidised venue hire I suspect the clubs industry in NSW has delivered as much as \$5 million to the Coalition parties and their candidates, much of it undisclosed.”

The NSW Government has moved to ban developer and some gambling industry donations but there is a carve-out for not-for-profit entities and each of the 1400 registered pokies clubs in NSW can lawfully donate \$5000, which comes to a maximum contribution of \$7 million.

“In 2015-16, the NSW Liberals disclosed \$21.13 million of total revenue but only identified \$9.64 million,” Mr Costello said. “The Alliance suspects a material chunk of this undisclosed \$11.48 million came from gambling interests, particularly associates of those 1400 registered pokies clubs.”

“It was a similar story in 2016-17 when the NSW Liberals received \$17.14 million but only revealed \$11.6 million – how much of the \$5.54 million of undisclosed revenue came from gambling interests? I call on the NSW Government to ban all gambling donations and improve the disclosure regime.”

In terms of revenue transparency, other state divisions were even worse than NSW with the Tasmanian Liberals only revealing the source of 20.8% of their revenue - \$498,000 out of \$2.39 million – and the South Australian Labor Party only disclosing \$345,654 of the \$2.1 million it received. Even Tasmanian Labor, with its commitment to donation reform and removal of poker machines, only disclosed \$41,396 of the \$751,411 it received in 2016-17, an Australian low at just 5.51%.

Tim Costello said as Tasmanian and South Australian voters contemplate whether to take the leap and elect new governments led by gambling reformers such as Labor’s Rebecca White and Nick Xenophon, they will get little visibility into how much industry money is spent on the campaigns.

“Clubs NSW spent about \$5 million fighting the Gillard-Wilkie reforms and the gambling industry, thanks to Australia’s fragmented pubs and clubs industry, have thus far mastered the art of political influence but will one day be treated like tobacco,” Mr Costello said.

“The tobacco industry is dominated by multi-nationals like Phillip Morris and British America Tobacco and the two big parties have voluntarily banned their donations anyway. This partly explains why we have the lowest smoking rates in the world.”

“But there are 5000 pokies venues across Australia and many play the political influence game by attending fund raisers – the board of a club books a \$5,000 table at a political fundraiser, the club pays and away you go with no disclosure to anyone. This has got to stop – or at least be disclosed.”