

18 October 2022

The Hon. Dominic Perrottet  
Premier of NSW, Leader of the NSW Liberal Party

The Hon. Paul Toole  
Deputy Premier, Leader of the NSW National Party

The Hon. Chris Minns  
Opposition Leader, Leader of NSW Labor

*By email*

Dear Premier, Deputy Premier and Opposition Leader,

**Re: Seeking Multi-partisan Commitment on Gambling Reform in NSW**

The damage wrought by poker machines on countless individuals and families in this state has to stop. The people of NSW have the unenviable reputation of leading not just the country, but the world, in losses to poker machines, with average losses per player of over \$4,500 compared to the national figure of \$2,800. Over the last 30 years, the people of this state have lost \$135 billion to poker machines, twice the of Victorians.

These losses are particularly concentrated in low income areas like Canterbury-Bankstown, which lost \$562 million to poker machines last year, and Fairfield which lost \$527 million, the two suburbs with the lowest median household incomes in Sydney. The 2022-23 budget assumes this will only get worse, with a predicted 12% average increase in gambling tax revenue out to 2025/26 and tax revenue from poker machines in pubs and clubs predicted to increase by \$557 million to a total of \$2.4 billion.

However, this revenue does not provide a net benefit to the state. A 2017 report from the Victorian Responsible Gambling Foundation found that gambling generated \$1.6 billion annually in levies and taxes but cost the state \$7 billion as a result of harms caused by gambling. While unfortunately there hasn't been similar research undertaken for NSW, the results would be expected to be similar here.

## Memorandums of Understanding

The Premier's strong statements in recent weeks calling out the need to reduce the harm from gambling in NSW are encouraging, along with statements from the Opposition that they are prepared to work with the Premier on gambling reform.

Any multi-party commitment to reduce gambling harm must start with agreements made between Clubs NSW and political parties prior to each election.

For example, the Coalition has agreed to successive Memorandums of Understanding with Clubs NSW prior to each state election. The [latest MoU](#) includes clauses that, if elected, require the Coalition to "maintain the current clubs gambling tax regime" and "maintain the existing regulatory regime for gambling with proposed changes subject to rigorous assessment, evaluation and stakeholder consultation."

NSW Labor has made [similar pre-election commitments](#).

These agreements effectively tie the hands of any future government to prevent it from enacting serious poker machine reform along with harm reduction measures that actually work.

Despite the well-documented and accepted harms caused by poker machines and their capacity to be used for illegal money laundering, Clubs NSW has actively resisted reforms to mitigate those harms, including celebrating delays to the implementation of the cashless gambling card trial. Disgracefully, Clubs NSW is also suing terminally ill whistleblower Mr Troy Stolz, expected to live less than 12 months, for exposing non-compliance with money laundering requirements.

## Conflicts of Interest

I note that the Labor Party has interests in and profits from a number of Labor Clubs across Australia. This includes the Randwick Labor Club in NSW which operates 80 poker machines, receiving [\\$3.1 million in poker machine revenue in 2020](#). This reliance on poker machine revenue has the potential to adversely influence genuine reform to reduce gambling harm should Labor win government at the next election.

The parties you each lead also receive significant donations from clubs. Between January 2011 and June 2021 clubs across NSW donated \$418,520 to NSW Labor, \$179,920 to the NSW Liberal Party and \$33,490 to the NSW National Party.<sup>1</sup>

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<sup>1</sup><https://www.abc.net.au/news/2022-05-10/gambling-industry-political-donations-to-states-and-territories/100988954>

The only way we will achieve the level of reform necessary to reduce the significant harms that gambling causes to the people of NSW is to cut the ties between political parties and the powerful gambling lobby.

The Greens are calling on you to commit to not entering into any agreements or commitments with Clubs NSW that would prevent a future government you may lead from reforming the regulatory environment for poker machines to reduce the harms they cause.

We are also seeking a commitment from you to protect the people of NSW from gambling harms caused by poker machines by implementing the following reforms:

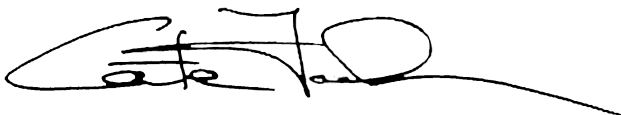
- A mandatory state-wide cashless gambling card
- A curfew on gambling machines operating between midnight and midday
- \$1 bet limits per spin on gambling machines
- Mandatory player-set time and spending limits for gambling machines and online gambling
- A prohibition on loyalty programs in gambling venues
- A ban on poker machine features designed to be addictive such as flashing lights and sounds, and losses disguised as wins
- Amendments to the Electoral Funding laws to prohibit political donations from clubs engaged in wagering, betting or other gambling
- A prohibition on political parties, elected representatives and candidates from owning, leasing or receiving any income from poker machines or receiving income from any other form of gambling

I implore you to have the courage to stand up to the powerful gambling lobby and work together to finally address the enormously detrimental impacts that poker machines are having on individuals, families and communities across NSW.

In the words of Premier Perrottet “whatever is happening now is not working. It’s got to change”.

I look forward to working with you on this important reform.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Cate Faehrmann', with a long horizontal flourish extending to the right.

Cate Faehrmann MLC  
Greens NSW gambling harm reduction spokesperson