



## ALDERMEN'S ROOMS

Town Hall  
Hobart, Tasmania

### **Submission to the Social and Economic Impact Study on Tasmania's Gambling Industry**

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As a representative of the people of Hobart for over 15 years, I would like to raise with the consultants my ongoing concern about how devastating electronic gaming machines continue to be for our City and state of Tasmania.

Particularly, I would like to raise the following points:

- 1) The poverty cocktail: reopening electronic gaming machine venues in the midst of a pandemic
- 2) The lack of progress made by the Tasmanian government in reducing the number of addictions and associated harm from electronic gaming machines since the last social and economic impact study
- 3) The influence on election outcomes and state gambling policy because of donations made during the last state election

#### **1) The poverty cocktail of reopening electronic gaming machine venues in the midst of a pandemic**

Treasury figures reveal that in July, Tasmanians lost over \$19m, an average of \$626,721 on poker machines every day of that month. \$438,000 was wasted in July on electronic gaming machines in pubs in the Hobart municipality alone. Other municipalities such as Glenorchy, fared much worse.

Overall, the amount spent on electronic gaming machines across Tasmania in July 2020 was up \$5m from the same time last year, according to Treasury's figures.

This to me made no economic sense on many levels - for individuals who lost money to electronic gaming machines, nor to small businesses and the local economy which would have gained if that money had been spent in local shops finding it difficult to survive.

How could this be sanctioned by the state government, especially when many individuals and businesses are struggling as a result of the pandemic? The pandemic is causing an economic crisis the likes of which most of us have never experienced before. Many business owners in Hobart and across Tasmania are struggling and will continue to struggle without the added burden of electronic gaming machines profiting before they do.

If the pokies had been left turned off, \$600,000 per day over the month of July 2020, could have gone a long way for small business owners, families and friends to afford to put food on the table and pay the bills.

## **2) The ongoing harm suffered because of addiction to poker machines in Tasmania**

It is evident that there have been no improvements since the last socio-economic impact study relating to those numbers of our community who are harmed by poker machine addiction. The information contained in your guide suggests that Tasmanians spend an average of \$736 per adult on gambling, which is seen as relatively low compared to other states. Whilst that average may be lower than other states', I would suggest that this average amounts to too much lost, thereby having a disproportionate impact in Tasmania's relatively lower income households. Consider also that, especially when addicts are spending the lion's share of money on electronic gaming machines. Again, this is particularly relevant in the midst of impacts of the pandemic Tasmanians face.

There are still too many people falling prey to electronic gaming machines through addiction and associated crime, poverty and suicide. There is no excuse for there to be an estimated 27,000 Tasmanians at risk of EGM addiction. This lack of shift to reducing harm is an indictment on the state government, and suggests that there is little gained in protection of the community. There are still crimes committed to support gambling addiction, both blue and white collar crimes. Just as there is for death or injury through motor vehicle accidents, for every poker machine addict there are others who suffer. The ripple effect from this insidious addiction affects spouses, parents, children, often creating poverty, particularly with the added consequence of the covid-19 pandemic.

## **3. The impact of influence from donations during the last state election on state gambling policy**

It is apparent that during the state election of 2018 there was significant influence because of political donations from the Federal Group and the Tasmanian Hotels Association. According to the ABC online article, <https://www.abc.net.au/news/2019-02-01/tasmanian-political-donations-a-who-is-giving-and-how-much/10769880> the Tasmanian Hospitality Association/Australian Hotels Association donated about \$270,000, while Federal Group, donated \$50,000 to the Liberal Party.

Donations to political parties from lobby groups and companies is not a crime in Tasmania under current laws. However, the outcome of the election, with the Liberal government being re-elected and the significant "Love Your Local" campaign, Liberal candidates advertising on pokies pubs showed clear support towards the Liberal candidates. The influence that the size of these and other donations and support has suggests there would be *quid pro quo* – a return in support.

I do not believe that this arrangement provides a transparency in Tasmania's political system. This ultimately has an impact on the social and economic outcomes of the state, because there is an influence on gambling reform the government may consider.

### **Summary**

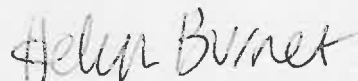
In summary, I believe there are too many negative impacts on the Hobart and Tasmanian community from electronic gaming machines. Hobart's economy suffers when our neighbouring municipalities suffer, especially those in lower socio-economic areas such as Glenorchy where so many EGM's are concentrated.

The Tasmanian government must consider a broader revenue base through taxes, rather than being so reliant on poker machine revenue.

Influence from political donations on gambling reform must be curtailed, and should be considered in the context of the socioeconomic impacts on Tasmanians.

Finally, there is a fundamental need for key harm minimisation measures – especially the introduction of a \$1 Bet Limit. I would ask that this study recommend that this easy form of harm minimisation be instigated at the earliest opportunity. So too receding the impact of electronic gaming machines in the suburbs of Hobart and beyond, by restricting electronic gaming machines to the 2 casinos.

Thank you.

A handwritten signature in black ink that reads "Helen Burnet". The signature is written in a cursive, flowing style.

Helen Burnet