



21 October 2020

The South Australian Centre for Economic Studies

By email: saces@adelaide.edu.au

Dear SACES,

As the name of our group indicates, it came into existence after the March 2018 State election in Tasmania. That election was characterised by the Tasmanian Labor Party adopting a policy aimed at controlling poker machines in Tasmania in circumstances where the Liberal government at the time had a policy of (gambling) business as usual. The election was further characterised by very, very significant amounts of funding being directed towards the Liberal Party from those groups and organisations that are dependent upon and profit from the poker machine and gambling industries. That is, Federal Hotels and the Tasmanian Hospitality Association, which is a part of the Australian Hotels Association.

There is no legislated disclosure at a State level of donations made to political parties in Tasmania. Federal electoral legislation does require parties to disclose funds received, but only covers donations greater than value \$13,500.00. There is also no requirement in Tasmania for funds to be disclosed that are given directly to candidates.

What has been disclosed under Federal legislation is that a huge amount of money has found its way to the Liberal Party prior to the March 2018 election. But we do not know the entire amount that was donated.

The University of Tasmania has published a report looking at the undisclosed funds that moved to political parties in the 2018 election, and also called for reform. A copy of the report titled *Insight Ten: Campaign finance reform in Tasmania: issues and options*, by Institute Director Professor Richard Eccleston and Researcher Dr Zoë Jay, is attached to the email carrying this letter.

We are aware that it is not your mandate to look at Tasmania's absence of any State disclosure of electoral funding. However, what is apparent from the above background that I have set out is that money that is being generated by poker machines (and other forms of gambling) in clubs and hotels is finding its way through the political system in Tasmania - largely unregulated and invisible – to influence the outcome of a State election.

Accordingly, with tens of millions of dollars being lost by members of the public to poker machines, this money is finding its way through the books of the THA and Federal Hotels (and others) into the political system. Obviously, it is not all going into the political system,



Tasmanian Election Inquiry LTD

Level 2, 115 Collins Street, Hobart TAS 7000

ACN 626 155 940

but a substantial amount of money is going into the political system for the sole purpose of influencing the outcome of an election.

Putting that in slightly different terms, the losses of members of the public using poker machines and other forms of gambling are being used to ensure that poker machines remain available for those members of the public to continue to lose money and support those corporations and lobby groups.

There can be nothing healthy about this parasitic arrangement in circumstances where the huge losses on poker machines disguise the family and personal tragedies that accompany those losses. All of this, to maintain easy and ready access to poker machines at a significant personal and social cost.

Tasmania ought to look at best practice public policy for disclosure of donations to political parties and candidates. Ideally, Tasmania would ban donations from gambling lobby groups (such as has been introduced in New South Wales) with a view to putting distance between the welfare of the community both individual and collective, on the one hand, and the welfare of large corporations and lobby groups, on the other. The welfare of latter of those groups comes at the huge cost to the welfare of the former.

Yours faithfully,

A handwritten signature in blue ink that reads "Roland Browne".

Roland Browne