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Dear Kate da Costa

Reducing the financial/emotional damage in lower socio economic NSW regions caused by poker machine losses requires LGA withdrawing Gaming Machine Entitlements for patent breaches of any of below Four Regulations by clubs/hotels

NSW ILGA (the current auditor of the **Four Regulations** for NSW clubs/hotels) must implement serious penalties for breaches of any of the below **Four Regulations** governing poker machines in NSW clubs and hotels to far better protect citizens:

- naively hoping for a big win against the odds too often influenced by subsidised cost alcohol,
- that are vulnerable to the flashing lights and spontaneous loud sounds inbuilt in modern poker machines.

NSW Four Regulations:

- 1) IL&G NSW requires that all gaming machines meet the approved and published technical standards at: <https://www.nsw.gov.au/business-and-economy/liquor-and-gaming/gaming/gaming-machines/tech-standards>. Page 86 of the Gaming Machine National Standard includes the requirement that all gaming machines have a Return to Player Ratio of at least 85%
- 2) ATMs not near poker machines
- 3) All poker machines must shut down daily from 4 a.m. to 10 a.m. (a mandatory 6-hour break) under the Gaming Machines Act 2001, a harm-minimisation rule for pubs and clubs. Recent government changes are revoking long-standing exemptions to the six hours shutdown, forcing around 700 venues to comply with this standard shutdown from March 31, 2026.
- 4) From 1 July 2024, all hotels and clubs with more than 20 gaming machine entitlements must have at least one Responsible Gambling Officer (RGO) on duty whenever gaming machines are in operation.

Three questions to NSW Auditor General, Bola Oyetunji

1. Where is the data (from NSW ILGA and its predecessors) of breaches of any of the above **Four regulations** and penalties that were imposed?
2. How many 'Gaming Machine Entitlements' were cancelled in NSW since the Gaming Machines Act 2001 due to breaches of any of the above **Four Regulations**?
3. Did offending EGM providers that breached any of the above **Four Regulations** merely receive a 'slap on the wrist'?

Below are **Facts** in "NSW Greens want all poker machines in NSW shut down between midnight and 10am".

- Gaming Machines Act 2001 requires poker machines in hotels and clubs in NSW be switched off for a minimum of six hours a day, between 4 am and 10 am.
- The Act contains three variation provisions that allow venues to apply to the Independent Liquor & Gaming Authority to operate outside those hours.
- 674 venues currently operate under exemptions to the mandatory shutdown period, including some of the wealthiest clubs in the state.
- of those 674 exempt venues, 97% of turnover is generated outside the standard shutdown hours and only 3% during their varied hours.

REFERENCE ARTICLES, REPORTS, LEGISLATION AND DOCUMENTS is a bibliography of well over 100 documents that this writer has reviewed over recent years/months, many by creating a htm file and colour background pertinent information.

NSW, with 88,000 poker machines, almost 50% of Australia's 185,000 poker machines, evidences that both Liberal Coalition and Labor Govts in NSW have been more focused on receiving poker machine profits taxes from clubs and hotels, than protecting citizens vulnerable to the flashing lights and sharp sounds provide to entice those most 'at risk'..

Harm minimisation regulation of poker machines in NSW clubs, hotels and casinos seems to have been legislated through both NSW Houses primarily by:

- [Part 4 Gambling harm minimisation measures](#) of the [Gaming Machines Act 2001](#)
- [Gaming Machines Regulation 2019](#)

Prima facie, over the last 25 years both the NSW Labour Govt and the NSW Coalition Govt have failed in their duty to ensure –

- A) independent implementation of regular auditing of rules/regulations/procedures contained in the above two legislations 'et al'; and
- B) potent penalties were imposed that would enthuse establishments with poker machine entitlements to comply with the afore-mentioned **Four Regulations**.

The 1st Dec '25 announcement by the Minns Labor Govt explained in "[Minns Labor Government acts on late night gambling harm](#)" may have been influenced by the NSW Greens recently proposed Bill that all NSW poker machines be shut down between 4am and 10am.

Unfortunately a LOT of careful wording goes into such press releases as "[Minns Labor Government acts on late night gambling harm](#)":

"A Review of Gaming Machine Shutdown Hours conducted by Liquor & Gaming NSW in 2024 found that a minimum 6-hour shutdown period, commencing no later than 4am, is effective at minimising gambling harm. **The review found no evidence to justify changing the start time or extending the length of the shutdown hours.**"

Yet further above in the above recent NSW Govt announcement is:

"Under law, NSW venues must shut down all gaming machines between 4am to 10am each day of the week. The six-hour shutdown is a harm minimisation measure intended to provide players with an important break in play, so patrons go home, get 'out of the zone' and reflect upon their behaviour."

Adult humans are encouraged to sleep between 7 to 9 hours each night. Harm minimisation and health benefits would be greater if all poker machines were shut down by 10pm, to reopen at 10am. Twelve hours a day of *one arm bandits* is enough due to the disproportionate number of vulnerable adults (usually residing in lower socio-economic areas, that are exposed to large poker machine losses..

By extrapolating 8 different [Social costs \(est \\$14.1 bil\) of gambling to Victoria incurred in 2023, NSW would have sustained just under \\$21 billion in similar social costs in 2023 from EGMs](#)

Table A of Excel Report published by Queensland Government Statistician's Office – Summary Edition – for 2023-24 notes [Total Annual Gambling Turnover](#) -

- * \$113,729,000 (76.6%) poker machines in NSW; and
- * \$34,742,000 (23.4%) poker machines in Victoria.

Summary Table A – Total Gambling Turnover 2023 calcs that of the \$148,471,000 turnover from poker machines, 76.6% was in NSW and 23.4% in Victoria.

NSW evidences a smidgeon over 3 times the cash turnover of poker machines compared to Victorian clubs. 'Figure 1: Gross revenue/losses by form 2022-23' for Victoria list EGMs account for about 46% of losses.

Social costs of gambling to Victoria 2023 estimated \$14.1 billion costs associated with gambling harm were categorised according to the below 8 associated categories:

1. \$5.2 billion: financial impacts, such as higher-than-average spending and bankruptcy
2. \$3.3 billion: emotional and psychological harm to a person who gambles, for example, depression, suicide attempts and fatalities
3. \$2.5 billion: relationships and family, for example, divorce or separation, violence and the impact of suicide on affected others
4. \$1.5 billion: productivity loss and work or study impacts, including impaired performance, job loss, absenteeism
5. \$1.3 billion: costs to the Victorian and local governments, including the health, mental health and human services systems, policy, regulation, and research costs
6. \$289.4 million: crime, including costs to corrections, court and police systems
7. \$3.2 million: costs to non-profit organisations
8. \$1.5 million: costs to the federal government

If you extrapolate the above \$14.1 billion costs over the above 8 categories in 2023 for Victoria by a spec over three times for the similar 8 cost categories for NSW poker machines, NSW's comparable annual social costs due to EGMs approximates just under \$21 billion in 2023.

QUESTION: Since 1985, pokies have been banned in WA's pubs/clubs, with their presence limited to Crown Casino. How did the WA Govt manage to implement/maintain that long term prohibition?

Below are 10 recent articles/reports re inept policing of breaches by NSW clubs/hotels of one or more of the above Four Regulations governing poker machines in NSW clubs and hotels.

Auditor-General Report confirms Government is failing to reduce poker machine harm - Cate Faehrmann

Exemptions, loopholes and problem gamblers: Political party split on pokies - SMH - [Alexandra Smith](#) and [Jessica McSweeney](#) 22 Oct 2025

'Virtually no oversight' of suburban poker machine dens - The Western Weekender - Alex Mitchell, AAP - June 16, 2025

Super Fun Pre-School Activities on the Lower North Shore

- [www.willoughbyliving.com.au](#) - July 26, 2023

'Not a chook raffle': RSL The billion-dollar institution in crisis - SMH - Harriet Alexander - 22 Sept 2025

Australia's poker machine story started 70 years ago. We were warned of harms from the beginning - The Guardian - Quentin Beresford - 10 Nov 2025

The election promise NSW Labor doesn't want to talk about - SMH - Harriet Alexander - 2 Feb 2025

Hard times claims by pokie clubs are breaking our hearts - SMH - EDITORIAL - 1 Sept '25

Coalition casts doubt on Perrottet's signature gambling policy SMH - Alexandra Smith and Harriet Alexander - 2 Dec 2025

Pubs have only a quarter of pokies in NSW. But they pocket almost half the profits - SMH - Harriet Alexander - 8 Jan 2024

Yours sincerely



Philip James Johnston