



Massive profits for venues of new poker machines licencing model revealed

By [Matt Maloney](#)

Updated November 22 2024 - 1:04pm, first published 1:01pm

Poker machine revenue for hotels and clubs with electronic gaming machines has likely increased by more than 55 per cent statewide on average since 2023, according to information provided in parliament by the state government.

Legislation came into effect in July last year for venues to carry their own licences to operate poker machines, rather than lease them from Network Gaming – an arm of Federal Group.

The legislation was intended to end a 20-year monopoly that the company had on poker machine licences in Tasmania.

In return, the tax rate applied to Federal for poker machine revenue was cut from 25.8 per cent to 10.9 per cent.

The government provided information in the Legislative Council this week on the likely retained profit from poker machines in venues following the change to the licencing model, compared with likely retained profit under the previous model, in response to questions asked by Nelson independent MLC Meg Webb.

It showed the statewide average for profits for hotels and clubs was 55.91 per cent, with the top one-third of venues achieving a likely 61.9 per cent profit on average and the bottom one-third achieving a likely 32.4 per cent profit.

"The retained profit comparison for the current licensing arrangement took into account direct costs for the operation of electronic gaming machines, including tax, the community support levy, core monitoring and licence fees," the response read.

"The comparison for the licensing arrangements prior to July 1, 2023, was based on commission received by the former gaming operator."

The government this week announced it would postpone indefinitely its policy to introduce a pre-commitment poker machine gaming card with default loss limits, which had been acknowledged as nation-leading gambling harm minimisation reform.

Ms Webb said the figures provided by the government made it obvious as to why this move had been taken.

"The pokies industry was circling the wagons to protect these extraordinary and shocking pokies revenue windfalls," Ms Webb said.

"Advocates warned the government at the time the new licensing arrangements were put through the parliament that it would risk entrenching profits at the expense of the community, which is why the proposed mandatory pre-commitment card was promised to assist mitigating that damage.

"This data confirms the pokies industry have won and are laughing all the way to the bank."

There are 3282 poker machines operating in Tasmania, which have generated \$141.3 million in revenue from January to September this year, according to figures from the Tasmanian Liquor and Gaming Commission.
