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TITLE: Footy codes not on level playing field in pokies fight

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An equitable tax system is usually thought of as one that collects money from those who have the most to help provide support to those who have the least. How bizarre then that the Australian football codes are arguing that the money they take from problem gamblers hooked on poker machines is essential to their plans to pay enormous salaries to players and administrators.

The decision by the AFL and NRL to join Clubs Australia in campaigning against the popular proposal to cap the amount that poker machine players can lose in a sitting has got more to do with the new corporate model of the football business than with feigned concern for community sport.

Of course, football codes spend some money on kids' sport and local communities, but suggesting that kids are the main beneficiary of the billions spent by professional football in Australia is like suggesting that charity dinners are the main beneficiary of bank profits.

The AFL has just signed a record \$1.25 billion broadcast rights deal. In comparison AFL clubs are estimated to earn about \$30 million per year from their poker machines but, coincidentally, it seems that that was the \$30 million that was destined for the kids and community. Yeah, right.

When it comes to being part of "the community", football codes in Australia are walking both sides of the street. On the one hand they like to describe themselves as part of the glue that holds people together and rely heavily on notions of loyalty, mateship and tradition when they market "their product".

But as soon as it seems profitable to pick up a team and move it to another city we are told that modern football is a billion-dollar business and its leaders need to be pragmatic and hard-headed. Having said that, the last thing they want the fans to be is pragmatic when it comes to deciding whether to watch a team on a losing streak or buy the overpriced new team merchandise that they regularly release.

So what is really going on?

At a club level you can understand why club managers on performance-based contracts would prefer to receive millions of dollars from poker machines than not. But for the AFL and the NRL the damage to their brands of admitting that poker machines are central to their business models is potentially much greater. So what is in it for big codes?

The enormous sums that the TV stations are willing to pay for football broadcast rights are determined by the advertising revenue that the games can attract. And while the size of the audience is a major part of that calculation, so too is the eagerness of advertisers to reach the “market segment” that watched the games.

The gambling industry is particularly keen to advertise during the football.

The rise and rise of sports betting has been a boon for the clubs that carry the logos on their jerseys, the television stations that sell the ad space and the football codes that get more for the broadcast rights. It's win, win, win except for all those people placing losing bets and for the fans that are worried that gambling and match fixing can go hand in hand.

The administrators of the big football codes can see that it is only a matter of time before the growing concern with sports betting results in tougher regulations and, in turn, less sponsorship and advertising revenue. But a government that can't win a fight with the poker machine lobby is unlikely to pick a fight with the footy codes.

Put simply, if the AFL and the NRL can help kill off the popular proposal to cap the amount that a poker machine player can lose in one sitting then they will likely buy themselves at least five years to steadily grow their sports betting profits. And in the meantime they can grow their revenue from poker machines. Why wouldn't they side with the gambling industry?

The only reason for the football codes to support the introduction of mandatory pre-commitment technology on poker machines is that they are genuinely concerned with the communities that they claim to care about. The research on the impact of problem gambling is overwhelmingly critical of the role played by poker machines.

The proposal by the Gillard government to help problem gamblers, their families and their communities places the football codes in a dilemma. Having walked successfully on both sides of the street for the past two decades, this issue forces the football codes to decide whether they are there to help communities, or to milk them. Their decision to side with the gambling industry on this issue makes it pretty clear which side they are really on.

Of course the codes will prefer to keep talking about the money they put back into communities through grants rather than that which they take out through poker machines. But if every dollar they lose in gambling revenue is a loss to local communities then it follows that every dollar they pay in player and administrator salaries is a dollar taken from those same communities.

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