

HOBSONS
BAY CITY
COUNCIL



Problem Gambling- Electronic Gaming Machines (EGMs)

Policy Statement

July 2015

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Acknowledgements

This discussion paper was compiled by the Hobsons Bay Strategy and Advocacy Department. For further information contact the Hobsons Bay City Council on 9932 1000

www.hobsonsbay.vic.gov.au

The Council acknowledges all language groups of the Kulin Nation as the traditional owners of these municipal lands. We recognise the first people's relationship to this land and offer our respect to their elders past and present.

The Council acknowledges the legal responsibility to comply with the *Charter of Human Rights and Responsibilities Act 2006* and the *Equal Opportunity Act 2010*. The *Charter of Human Rights and Responsibilities Act 2006* is designed to protect the fundamental rights and freedoms of citizens. The Charter gives legal protection to 20 fundamental human rights under four key values that include freedom, respect, equality and dignity.

Glossary of Terms

Community Benefit Scheme: club and racing club venues that receive gaming revenue are required to allocate a percentage of taxes raised back into the community. Venues must provide an audited Community Benefits Statement to the Victorian Commission for Gambling and Liquor Regulation (VCGLR) each year.

Declared Community and Charitable Organisations: minor gaming activities such as raffles (total prize money exceeds \$5000), lucky envelopes, bingo, fundraising events (casino nights) can only be conducted by registered (declared) community or charitable organisations.

Disadvantaged Communities: are identified through the Socio-Economic Indexes for Areas (SEIFA) index of disadvantage (see below) to geographically identify clusters of socio-economically disadvantaged populations.

Gaming Machines: commonly referred to as electronic gaming machines (EGM) or pokies. A gaming machine is any device, whether wholly or partly mechanically or electronically operated, that is so designed that it may be used for the purpose of playing a game of chance or a game of mixed chance and skill; and as a result of making a bet on the device, winnings may become payable.

Gambling: the wagering of money where the outcome is uncertain with the primary intent of winning additional money and/or material goods.

Gambling Regulation Act 2013: the main purpose of this Act is to re-enact and consolidate the law relating to various forms of gambling and to establish a Victorian Commission for Gambling Regulation.

Gaming Machine Entitlements: venue operators may only operate gaming machines if they hold gaming machine entitlements. Each entitlement authorises venue operators to operate one gaming machine for a period of 10 years from 2012.

Non-EGM gambling: covers a range of gambling activities and fundraising events such as wagering, sports betting, bingo, card games, sweeps, raffles, lucky envelopes etc conducted by community and charitable organisations. The Victorian Commission for Gambling and Liquor Regulation (VCGLR) oversees these activities and the issuing of permits

Pre-Commitment: means a prescribed mechanism or system that allows a person to set a time limit or net loss limit before that person plays a gaming machine. A voluntary pre-commitment scheme is due to commence operation in Victoria from the 1 December 2015.

Problem Gambling: is characterised by difficulties in limiting money and/or time spent on gambling which leads to adverse consequences for the gambler, others, or for the community.

Responsible Gambling Code of Conduct: under the *Gambling Regulation Act 2013*, it is compulsory for relevant persons to have a Responsible Gambling Code of Conduct and a Self-Exclusion Program (SEP) that indentifies the venues commitment to responsible gambling.

Service providers: provide services related to health and wellbeing, including economic, social, and emotional support for those affected by gambling.

Socio-Economic Indexes for Areas (SEIFA) – disadvantage index: measures the relative level of socio-economic disadvantage based on a range of Census characteristics high unemployment, low income and low education as markers of relative socio-economic disadvantage to develop a single score.

Vulnerable /at risk groups: are those who are more likely to become problem gamblers (refer to Table 2).

Victorian Administrative Appeals Tribunal (VCAT): hears appeals related to the issuing of EGM licences by the Victorian Commission for Gambling and Liquor Regulation (VCGLR) and planning decisions made by local government.

Victorian Commission for Gambling and Liquor Regulation (VCGLR): the statutory authority that administers gambling and liquor laws in Victoria. The VCGLR is responsible for assessing EGM applications, issuing EGM licences and ensuring the management of EGMs venues complies with Victorian regulations.

Introduction

Council recognises that there are many forms of legalised gambling in the community and while gambling can provide a range of social and recreational opportunities, it can also have detrimental impacts on people who gamble, their families, friends and the broader community.

This position is supported by the Productivity Commission (2010) in its report into gambling which noted that *“the potential for significant harm from some types of gambling is what distinguishes it from most other enjoyable recreational activities.”*

This Electronic Gaming Machine (EGM) Policy Statement 2015 replaces Council’s previous policy statement which was adopted in September 2008.

It has been informed by state and federal legislation and regulations, a broad range of research on the current gambling environment, and consultations with Hobsons Bay residents, service providers and venues. The findings of this work indicate that EGMs are problematic for some people within Hobsons Bay, as highlighted in financial losses and the community’s concern about the impacts of gambling.

This work has informed the key principles and commitments in this policy statement and will direct Council’s response within the gambling environment.

The Purpose of this Statement

The purpose of this policy statement is to articulate Council’s commitment to managing and minimising the negative impacts of EGM gambling for the community of Hobsons Bay.

While Council is also concerned about the harmful impacts of other forms of gambling, in particular the growing participation in online gambling, at this stage these fall outside the direct influence of local government legislation. They are therefore addressed within Council’s advocacy role.

Legislative and Regulatory Context

The Electronic Gambling Machine (EGM) Policy Statement 2015 has been developed within the context of federal and state government legislation and regulation that was current at the time of the statement's development.

Federal Government

The Federal Government does not have a regulatory role in relation to gambling; rather it has a role in managing the social impacts of gambling. A proposal by the former Labor Government to introduce mandatory pre-commitment in 2015 to require those gambling on EGMs to set time and loss limits was set aside after the election of the Liberal - National Coalition in 2013. In late 2013, the current Federal Government released its policy direction, *Helping Problem Gamblers*. Within the policy, it committed to the introduction of voluntary pre-commitment and the establishment of an industry advisory council, comprising representatives of clubs and gaming venues, meeting quarterly with the responsible Minister.

Victorian Government

The Victorian Government regulates all gambling activity in the state. The *Gambling Regulation Act 2003* provides the legislative framework for gambling and identifies the responsible authorities and the extent of their powers to control and manage gambling.

Established in 1991, the Community Support Fund (CSF) is a trust fund governed by the *Gambling Regulation Act 2003* which requires a portion of gaming revenues be directed back into the community. Under the Act, hotels contribute 8.33 per cent of their revenue from EGMs to the fund. The majority of the CSF is directed towards:

- hospitals and charities in the health sector
- the Victorian Government's drug strategy
- the Victorian Veterans Fund

The State Government then allocates the remaining funding to provide community grants for the following purposes:

- programs to tackle problem gambling
- drug education, treatment and rehabilitation programs
- financial counselling and support for families in crisis
- youth, sport, recreation, arts and tourism programs

In addition to the CSF, clubs that have EGMs are required to provide an annual Community Support Benefit Statement. The statement covers a range of contributions the club has made to the community which can then be used to reduce their taxation rate. Like hotels, clubs are required to contribute 8.33 per cent. Contributions they can claim include those made to charities, sporting clubs and volunteers. They can also claim for the operating costs such as the upkeep of sporting facilities, purchases such as TVs for club users, community buses to bring customers to the club, and subsidised meals for patrons.

The Victorian Commission for Gambling and Liquor Regulation (VCGLR) is the statutory authority that administers both liquor and gambling laws in Victoria. The VCGLR is responsible for assessing applications for EGMs, issuing the licences for their operation and ensuring the management of EGMs venues complies with Victorian regulations.

As part of the application process, the community, including councils, can make submissions which either support or oppose the application. Decisions made by the VCGLR can be challenged at the Victorian Civil and Administrative Tribunal (VCAT).

The Minister for Consumer Affairs, Gaming and Liquor Regulation in the Victorian Government oversees gambling policy and legislation which the VCGLR implements. Under section 3.4A.5 (3)(b) of the *Gambling Regulation Act 2003*, the VCGLR determines the maximum number of EGM entitlements for a capped region. The purpose of the cap is to limit the number of EGMs in areas identified with high levels of community disadvantage. Currently, 20 regions in Victoria are capped, one of which covers Hobsons Bay.

The former Coalition Government in Victoria had planned to introduce voluntary pre-commitment in 2015 to allow those gambling on EGMs to set time and loss limits. Pre-commitment has the support of the new Labor Government which was elected in November 2014. Pre-commitment is due to commence on the 1 December 2015.

In addition, the *Victorian Responsible Gaming Foundation Act* was established in 2011. The foundation provides funding for a range of services, supports and research to minimise the impact of problem gambling. One such program is Gambler's Help which also provides venue support workers to assist venues to meet the legislative requirements of the Responsible Gambling Codes of Conduct, to train venue staff to identify problem gamblers, and encourage referrals to Gambler's Help and other community support services.

Local Government

Under the *Victorian Local Government Act 1989* and the *Public Health and Wellbeing Act 2008*, local government is the responsible authority for protecting and promoting the health and wellbeing of communities.

Within this context, Hobsons Bay City Council has developed the Community Health and Wellbeing Plan 2013-17 (CHWP). The Plan is the overarching document which guides Council's work, including this policy statement, and sets out the following vision:

*Valuing the wellbeing of our people and our place, now and into the future:
A safe, clean, accessible and connected municipality, which values diversity, protects its heritage and environment, fosters a strong sense of community and provides opportunities to achieve the best possible health and wellbeing.*

Under the *Planning and Environment Act 1987*, local government is the responsible authority for the consideration of planning applications related to the installation and use of EGMs and

the issuing of relevant planning permits. The schedule to Clause 52.28 of the Victorian Planning Provisions (VPPs) (located in Planning Schemes) allows councils to identify locations where EGM venues are prohibited (refer to Appendix 1). It should be noted that planning decisions can be appealed at VCAT.

However, as mentioned earlier, local government is not the responsible authority for the issuing of a licence to operate an EGM; this sits with the VCGLR. Local government's role in EGM licensing is confined to that of a third party whereby it can make submissions to the VCGLR supporting or opposing an EGM application. Submissions are restricted to social wellbeing and amenity issues. The VCGLR decisions can be appealed at VCAT; although for many councils a major factor against appealing decisions is the associated costs and also a very low probability of success, based on past decisions (See Appendix 2 for local government process for planning applications and EGM applications).

Councils can also add a gaming policy to the local policy section in their local planning schemes, to provide direction for decisions related to the location of EGMs in their municipality. In addition, a social policy statement such as this one can be incorporated to further enunciate a council's commitment to protect and promote the wellbeing of the community.

Hobsons Bay City Council has adopted Social Impact Assessment Guidelines requesting all gambling related planning applications to include a Social Impact Assessment (SIA) with their planning applications. The guidelines require a thorough socio-economic analysis of the proposal and the potential impacts on the resident population.

The Socioeconomic Impacts of Gambling

Gambling Revenue from EGMs

Gambling is now an important income stream for federal and state/territory governments around Australia. The VCGLR's Annual Report for the financial year 2012-13 showed that \$5.4 billion dollars was lost on gambling, with EGMs accounting for almost half (46%) of that figure.

According to Dr Charles Livingston (2013), a gambling research expert from Monash University, 7.3 per cent of state government taxes come from gambling on average, although the Victorian figure is much higher, at 10.8 per cent.

The Victorian Government (2013) reported that \$1.8 billion, almost 12 per cent of the state's total tax take of \$15.6 billion in 2012-13, came from all forms of gambling. EGMs contributed \$1.1 billion of tax raised from gambling (7% of the state's taxes). Victoria's reliance on gambling taxes, and particularly EGM losses, highlights the dilemma state government's face in addressing gambling risks and harms, at the cost of losing an important revenue stream.

A portion of state taxes (8.33%) raised from EGMs is directed back into the community. The Victorian Government collects and redistributes taxes from EGMs that are in hotels whereas

clubs independently allocate this revenue and must provide an audited Community Benefits Statement each year. However, what constitutes a community benefit is quite broad. For example, some staff costs can be considered a community benefit as can club improvements such as equipment and renovations.

Health and Wellbeing Impacts

Responsible gambling is the term that is generally applied where people are in control of their gambling behaviour and choices. They know how much they can afford to lose and when to stop. They make up the majority of gamblers.

However there are others who are not in control of their gambling behaviours. The financial, social and health impacts are profound for them and their families. Problem gambling, or gambling addiction, is one of the key focuses of this policy statement and it adopts the following Gambling Research Australia (2005) definition:

“Problem gambling is characterised by difficulties in limiting money and/or time spent on gambling which leads to adverse consequences for the gambler, others, or for the community”

The Productivity Commission’s (2010) *Inquiry Report Vol 1, Gambling* estimated that four per cent of Australia’s adult population gamble on EGMs at least weekly and approximately 15 per cent of regular players are ‘problem gamblers’. Furthermore, federal government (2014) estimates indicate that the impacts of problem gambling extend beyond the gambler, affecting the lives of between five and ten other people.

The Productivity Commission’s report (2010) also found that *“the potential for significant harm from some types of gambling is what distinguishes it from most other enjoyable recreational activities”* and that *“problems and vulnerabilities rise with the frequency of gambling and are much greater for gaming machines than other gambling forms”*. The Commission also found that:

- while around four per cent of all gamblers find it hard to resist gambling, this rises to more than 30 per cent for regular EGM players
- people who only play lotteries, scratchies, bingo or raffles face fewer problems compared to those who play EGMs, wager or play casino table games

A Victorian Department of Justice (2009) study on the health impacts of 15,000 problem gamblers found that they are likely to experience a number of complex health issues that impact on their psychological and physical wellbeing such as:

- 46 per cent reported anxiety as a major issue
- 52 per cent reported depression as a major issue
- 27 per cent considered suicide in the past 12 months
- 43 per cent smoke between 11-20 cigarettes a day
- 25 per cent have risky rates of alcohol consumption 15-28 drinks per week
- 21 per cent were obese

- 28 per cent had a disability affecting everyday life

Beyond the personal health issues experienced by problem or addicted gamblers, there are a range of wellbeing issues where the effects are far more wide spread. The table below, compiled by the Victorian Local Governance Association (VLGA, 2014), illustrates how these impacts play out within the home, socially, in the workplace and broadly on the community. While there are obvious financial costs, it is clear that all aspects of daily life are potentially affected by problem gambling. It is therefore in everyone’s interests to address problem gambling.

Table 1: Gambling Impacts on Surrounding Community

Community	Impact
Individual	job loss, financial hardship, loss of social supports and community connections
Family and friends	family neglect, domestic violence, relationship breakdown, poverty, homelessness, stigma and social isolation
Workplaces, clubs, groups	absenteeism, job loss, poor performance, theft, lower participation rates in sports and social clubs
Community	reduced resources available, increased reliance on welfare supports, community disempowerment, poverty, increased crime and associated costs

EGM Gambling in Hobsons Bay

EGM Losses

As previously mentioned, the VCGLR has the power to increase or limit the number of EGMs in identified regions and municipalities. Hobsons Bay has a cap of 579 licensed machines, however not all of these licences are active. Currently there are 577 EGMs in Hobsons Bay, operating in 10 venues across Altona, Altona North, Laverton, Newport, Seaholme and Williamstown (See Appendix 3 for venue location, losses and number of machines). The extent of gambling losses in Hobsons Bay would undoubtedly increase should all licences be activated.

In terms of the ratio of EGMs to adults, the most recent data from the VCGLR (2014) indicates that in 2013-14 Hobsons Bay had 8.4 EGMs per 1000 adults, well above the Victorian rate of 6.1 and the metropolitan Melbourne rate of 5.7. Total losses on EGMs in the municipality were \$47.2 million, or \$662 per adult, compared to Victoria and metropolitan Melbourne losses of \$549 and \$574 respectively. This ranks Hobsons Bay 14th highest in Victoria for EGM losses (City of Greater Dandenong, 2014).

While neighbouring municipalities are ranked higher relative to Hobsons Bay (Wyndham eighth, Maribyrnong third and Brimbank second highest in Victoria), it should be noted that Wyndham and a portion of Brimbank have not been assessed as disadvantaged by the VCGLR and are therefore uncapped. As a result a higher number of EGMs can be installed in these municipalities. Due to the proximity of both municipalities to Hobsons Bay, it is imperative that applications in proximity to Hobsons Bay's boundary are closely monitored (Victorian Government, 2012).

It should be noted that reflecting a Victoria trend, losses in Hobsons Bay have also been trending down slightly over the last couple of years, due in part to state government interventions such as the removal of ATMs at EGM venues. The promotion shift of online gambling may also be a factor. Monitoring will be required to see if this downward trend continues as venues have introduced alternative services such as EFTPOS access in response to the removal of ATMs.

Groups 'At Risk' / Vulnerable to problem gambling

The Victorian Government's Problem Gambling Community Awareness and Education Strategy (2009) identified those *'at risk of developing a gambling problem'* as people who may:

- be experiencing mental health issues (e.g. depression)
- have co-morbid addictions (e.g. drug/alcohol)
- be socially isolated
- have intellectual disability / cognitive impairments

The strategy also identified the following population groups as being at a higher risk:

- older people
- young people
- people from Culturally and Linguistically Diverse (CALD) backgrounds

As the table below indicates, quantifying these vulnerable groups within the Hobsons Bay population suggests a substantial proportion may be at risk of becoming, or are, problem gamblers.

Table 2: Vulnerable groups and Problem Gamblers in Hobsons Bay

Community	Hobsons Bay Populations
Older People (55 years and over)	Approximately 24 per cent (21,300) of the Hobsons Bay population, primarily residing in Altona, Altona North, Altona Meadows and Williamstown (Forecast.id, 2014.)
Newly Arrived and CALD Populations	About 6,100 newly arrived between 2006 and 2014 representing almost seven per cent of the Hobsons Bay population (Department of Immigration and Border Protection, 2014). CALD residents make up 31 per cent of the Hobsons Bay population, primarily residing in Altona North, Brooklyn, Altona Meadows and Laverton, with 23 per cent of all residents having a non-English Speaking background (Australian Bureau of Statistics (ABS), 2012).
Young People 12-18 years*	This age group make up seven per cent (6,578) of the Hobsons Bay population (Forecast.id, 2014).
19-25 years	This group represents nine per cent (8,128) of the municipal population.
People With a Disability	Approximately 17 per cent (14,800) of Hobsons Bay residents have a disability (ABS, 2009).
Problem Gamblers	Between 0.5 per cent and one per cent of adult Australians are likely to be problem gamblers and further 1.4 to 2.1 per cent of Australian adults are vulnerable to problem gambling (Productivity Commission, 2010). This equates to approximately 450-900 Hobsons Bay residents who are problem gamblers and a further 1,250-1,870 residents who are vulnerable.

* According to the Victorian Responsible Gambling Foundation (VRGF 2014) while it is illegal for those under 18 to gamble, nearly eight in 10 teenagers have gambled in the past year and a survey shows three to four per cent of teenagers have a problem with gambling, approximately double the rate of adults, or in other words, an average of one teenager in every high school class. The VRGF report found “Most gambling by young people is on more benign (though still illegal) types of gambling, such as scratchies, lotto or friendly card games. However, around one in five are participating in gambling such as sports betting, racing or even pokies”.

In addition to these ‘at risk’ groups, the Victorian Competition and Efficiency Commission (VCEC, 2012) found that “the number of EGMs, the level of total expenditure, and measures of socio-economic disadvantage align with problem gambling prevalence rates”.

The SEIFA index of disadvantage (ABS, 2011) helps to identify clusters of socio economic vulnerability. The index uses factors such as high unemployment, low income and low education as markers of relative socio-economic disadvantage to develop a single score. The current national score sits at 1002. Hobsons Bay’s score of 1001.7 is on a par with this figure giving the municipality a ranking as the ninth most disadvantaged in metropolitan Melbourne.

However, as the table below shows, disadvantage is unevenly experienced within Hobsons Bay. Areas including Laverton, Brooklyn, Altona North and Altona Meadows are far more disadvantaged compared to other parts of the municipality and as a result their residents are considered to be at risk in relation to gambling.

Table 3: SEIFA Index of disadvantage per Neighbourhood (2011)

Neighbourhood	SEIFA
Laverton	891.3
Altona North	910.3
Brooklyn	946.8
Altona Meadows	981.2
Altona - Seaholme	1019.0
Spotswood - South Kingsville	1023.5
Seabrook	1030.8
Newport West	1044.3
Williamstown North - The Rifle Range	1058.0
Williamstown	1061.6
Newport East	1087.4
Hobsons Bay	1001.7
Greater Melbourne	1020.3
Australia	1002.0

Source: ABS 2011 Census of Population and Housing

A review of EGM losses in these areas supports the VCEC findings of a correlation between number of EGMs and disadvantage; Altona North and Laverton provide two clear examples of this.

Altona North has a SEIFA disadvantage score of 910.3 and is the second most disadvantaged neighbourhood in the municipality. It has the second largest venue (Millers Inn with 70 EGMs) in Hobsons Bay and the largest gambling losses, accounting for almost 30 per cent of all EGM losses in the municipality (\$14,007,760 in 2013-14).

The suburb of Laverton sits across the municipal boundary shared with Wyndham. The area of Laverton that falls within Hobsons Bay is the most disadvantaged in the municipality. It has one EGM venue (Club Laverton with 60 EGMs). However, another venue abuts the northern boundary in Laverton North (Westside Tavern with 68 EGMs). Between the two venues, Laverton's 4,500 residents have access to 128 EGMs and in 2013-14 the combined venue losses totalled \$15,038,893.

Furthermore, there are two venues at Point Cook in Wyndham which have a total of 120 EGMs. These venues are less than five kilometres from Laverton and Altona Meadows (Altona Meadows is ranked the fourth most disadvantaged area in Hobsons Bay). The close proximity of these venues highlights the importance of monitoring gambling related applications in neighbouring municipalities in order to minimise any impact on Hobsons Bay residents (Refer to Appendix 3: venues and gambling expenditure).

Community Attitudes to Gambling

In September 2014 Council undertook a gambling attitudes consultation which included a telephone survey of 400 residents and interviews with service providers, stakeholders and the operators of five EGM venues in the municipality. The aim of the consultation was to understand gambling in Hobsons Bay. Below is a summary of the key findings.

(A copy of the consultation report including the methodology can be found on Council's webpage.)

Key findings

Drivers for gambling: Overall the consultation identified the following drivers for gambling:

- feelings of loneliness and a desire for a social outlet, particularly prominent for those who are from non-English speaking backgrounds
- lack of alternative activities in Hobsons Bay and the wider region, especially during night time hours or at weekends
- limited knowledge about gambling, including the risks and the probability of winning
- the promise of winning

Gambling is harmful: Eighty-four per cent of survey respondents believe gambling is harmful. Forty two per cent said there were too many EGMs, 23 per cent thought the number was about right.

Participation in gambling: Eighty four per cent of survey respondents indicated they had participated in some form of gambling in the past year and of these 20 per cent had gambled on EGMs. Only 16 per cent of respondents said they had not gambled over the past 12 months, well below the Victorian figure of 27 per cent. Those over 55 years of age, retirees and pensioners are more likely to have played EGMs in the last 12 months and this was confirmed by EGM venue operators. Service providers also mentioned CALD communities as vulnerable as they have little knowledge of gambling and risks and see the venues as safe places to visit.

Gambling preferences: The most common forms of gambling among survey respondents include lotto and raffle tickets (almost 55%), horses/greyhounds (27%) and 20 per cent gamble on EGMs.

While EGM gambling was ranked third in this list of common forms of gambling, losses on EGMs account for almost half (46.2%) of the \$5.4 billion lost on gambling in Victoria, far in excess of losses at the Casino 25.5 per cent, wagering 15.3 per cent and lotteries 9.8 per cent (VCGLR 2014).

Problem gambling: Around five per cent of survey respondents have experienced a problem with gambling and around five per cent said that someone in their household had experienced a gambling problem. Anecdotally, venues noted a small minority of gamblers are likely to be

problem gamblers and are less likely to be older whereas service providers said those at higher risk tend to be newly arrived and older CALD residents and younger trade and shift workers.

Managing gambling risks: Venues noted their compliance with VCGLR requirements is supported through the display of posters and information pamphlets provided by the Responsible Gambling Foundation or Gamblers Help West. However, service providers suggested high staff turnover in venues (including responsible gaming officers) influenced the venues' ability to respond to problem gambling issues and therefore staff are less likely to know the patrons or establish relationships with them. There is also limited evidence in the literature which indicates that the responsible gambling requirements of the VCGLR have an impact on problem gamblers or those at risk.

Risks for online gambling: Over the past 12 months, 10 per cent of survey respondents had participated in some form of sports betting and a further two per cent had played casino type games on the internet. In terms of the internet, service providers were concerned that internet games, designed to simulate gambling, can have a significant influence on 'real-life' gambling behaviour.

Distributing taxes collected from gambling: Survey respondents were asked who should be involved in deciding how community benefit taxes collected from EGM in clubs are distributed. The vast majority (71%) felt community members, beyond those in the club, should be involved.¹

Access to gambling support services and information: The main support services and information avenues identified by survey respondents were the internet (59%), Gamblers Help/Helpline (33%) and Council (12%). The services interviewed noted that cultural inhibitions can mean CALD groups are less likely to seek support. Services may also not be set up to support CALD groups.

¹ Under state legislation, clubs (which account for seven out of the ten venues in Hobsons Bay) are required to contribute 8.33 per cent of EGM expenditure to community benefit purposes. However, the definition of these community purposes is wide-ranging. For example, staff costs can be considered to be a community benefit under the system. Survey participants were not provided with details of this legislative requirement.

Guiding Principles and Commitments

Through the Community Health and Wellbeing Plan 2013-17 and the Council Plan 2013-17, Hobsons Bay City Council has committed to improving the health and wellbeing of the Hobsons Bay community; valuing the wellbeing of our people and our place now and into the future.

In terms of gambling, and specifically gambling on EGMs, Council also commits to minimising the harms and risks they can cause, particularly for vulnerable groups within the community.

The principles outlined below are aimed at achieving an appropriate balance between electronic gambling, as a legal recreational activity, and Council's broader responsibility to promote and protect community wellbeing.

Principle 1: Monitoring and controlling the number and location of EGMs in Hobsons Bay

Gambling on EGMs is a legal recreational activity and the number of EGMs that can operate in Hobsons Bay is capped at 579 machines. Council is committed to maintaining the current EGM cap and protecting the wellbeing of individuals and groups who may be at risk of problem gambling.

Commitments

- 1.1. Council will advocate for a continuation of the current maximum cap of 579 EGMs in the municipality and will oppose any increase to that number or the inappropriate relocation of existing machines to areas that are considered vulnerable (Refer to Table 3).
- 1.2. Council will develop a municipal map to indicate inappropriate EGM locations.
- 1.3. Council will oppose any applications to the VCGLR that increases or transfers EGMs to areas where there is high socio-economic disadvantage or other community groups identified as vulnerable (Refer to Table 2: vulnerable groups and Table 3: SEIFA index of disadvantage).
- 1.4. When Council opposes an application, it will adequately resource representation at the VCGLR and subsequent representation at VCAT hearings, if required.
- 1.5. Council will request a Social Impact Assessment (SIA) for all planning applications involving EGM. Council's (SIA) guidelines provide a checklist of the data and information to identify the population groups that are likely to be impacted by the application and to demonstrate if a net community benefit will result.

Principle 2: Prioritising wellbeing in land use planning

Council has the capacity to determine where gambling venues are prohibited and is committed to having preferred venue locations away from high traffic areas and identified vulnerable communities and sensitive uses (e.g. schools, early years centres).

Commitments

- 2.1 All planning decisions and advice relating to gambling matters will be made in accordance with this policy statement and the relevant provisions of the Hobsons Bay Planning Scheme, particularly Clause 52.28 which identifies the locations where EGMs are prohibited.
- 2.2 The schedules to Clauses 52.28-3 and 52.28-4 (see Appendix 1) will be reviewed to ensure all existing and planned shopping complexes and shopping strips where new EGM venues are prohibited are listed and mapped.
- 2.3 This policy statement will be incorporated into the Hobsons Bay Planning Scheme as a Local Planning Policy and referenced in the Municipal Strategic Statement. The Planning Scheme amendment will identify and map areas of high socio economic disadvantage where new venues or increases in the number of EGMs in existing venues will be opposed. In addition, new venues in highly visible locations which encourage opportunistic gambling will not be supported. Subsequent to the Planning Scheme amendment, an SIA will be required with all applications.
- 2.4 Council will request any planning applications seeking to extend the hours of a liquor licence at venues with EGMs to include an SIA which considers the community impact of increased access to EGMs.

Principle 3: A regional approach to minimising harm

Council recognises that gambling venues in adjacent municipalities may draw their patrons from Hobsons Bay. It is therefore essential to establish sound working relationships with these councils to manage and minimise the detrimental impact of EGMs on Hobsons Bay residents.

Commitments

- 3.1. Council will oppose any licence applications for new venues or additional EGMs in the adjacent municipalities of Wyndham, Brimbank and Maribyrnong that fall within a 2.5km radius of vulnerable communities in Hobsons Bay.
- 3.2. Council will work to strengthen its relationship with services, neighbouring councils, regional bodies such as HealthWest and LeadWest, Victoria Police and state bodies such as Municipal Association of Victoria, and the Victorian Local Government Association with the aim of developing an agreed advocacy position on gambling issues, particularly those affecting the west.

Principle 4: The use of Council resources and facilities for gambling purposes

Council will monitor, and where relevant review, the use of Council owned buildings and Council resources in relation to gambling activities.

Commitments

- 4.1. When the leases of Council owned buildings housing EGMs are due for renewal, new leases will include a clause prohibiting any increase to the existing number of EGMs. Should venues reduce the number EGMs over the life of the lease, no subsequent increases will be permitted.
- 4.2. Beyond existing leases (as per 4.1), any new contracts, leases and legal agreements for use of a Council owned building will include a clause indicating gambling on EGMs is not permitted.
- 4.3. All gambling activities must comply with Victorian Government requirements. Council will provide information to all lessees of Council owned buildings as to the legal requirements regarding non-EGM gambling activities. (Source: Victorian Commission for Gambling and Liquor Regulation <http://www.vcglr.vic.gov.au/home/gambling/new+applicants/community+and+charitable+gaming/>).
- 4.4. Council will not provide funding, grants, sponsorship or other resources for any activities that promote gambling. All relevant Council guidelines will align with this policy statement.

Principle 5: Preventative programs and alternative activities

Council is committed to raising community awareness of programs and services for residents who are problem gamblers and those directly affected by gambling.

Commitments

- 5.1. Council will promote gambling support services and programs on its website, through networks, and via publications.
- 5.2. Council will promote alternative activities (and where possible low cost activities) to gambling that are available in the west. Information will also be made available in key languages.
- 5.3. Council will aim to run events, activities, programs and social outings in venues that do not have EGMs unless the venue offers a specific setting that is required by the program and no alternative is available. If Council programs are held at an EGM venue,

Council will monitor the impact of gambling by conducting pre and post participant surveys at least twice a year.

- 5.4. In the event Council run programs do take place in an EGM venue, Council staff are not permitted to gamble on EGMs within the venue while they are on duty, including during their work breaks.
- 5.5. Council will aim to increase staff awareness and understanding through training about the harms of gambling and the support services available.

Principle 6: Community consultation and public notification

Council is committed to having a clear understanding of the community's attitudes to gambling, particularly on EGMS, to inform its policy and planning decisions.

Commitments

- 6.1. Council will ensure community comment is reflected in any strategic policy related to gambling. To do this, Council will undertake a community perceptions survey when developing or reviewing gambling policies and strategies.
- 6.2. Council will include gambling related questions at regular intervals (e.g. every third year) within the Annual Community Survey.
- 6.3. In addition to any notification requirements set out in *the Planning and Environment Act 1989* and the Planning Scheme, Council will ensure that the community is notified through the Council website of all planning applications related to EGMs and provide opportunities for comment.
- 6.4. Council will include copies of all gaming related submissions it makes on the Council webpage.

Principle 7: Advocacy

Council recognises that problem gambling is a complex social issue, which requires a series of interrelated interventions by a range of key stakeholders. While the state government has legislative responsibility over gambling, Council will advocate for change if the Hobsons Bay community is adversely affected.

Commitments

- 7.1. Council will highlight local government concerns regarding gambling to the state and federal governments through peak organisations.
- 7.2. Council will advocate for increased access to gambling support services in Hobsons Bay for problem gamblers and others affected by gambling.

- 7.3. Council will advocate for a review of Community Benefit Statements, submitted annually by clubs to the VCGLR to ensure greater transparency by providing more detailed information on the claims of expenditure. Council will also advocate for the Victorian Government to release detailed information on how and where taxes from EGMs in hotels are distributed, emphasising that the municipality where the taxes are collected should be the major beneficiary.
- 7.4. Council will advocate for a review of the distribution of Community Benefit funds by clubs to ensure they are more fairly shared. This would involve increasing funding to the local community (e.g. to address local gambling issues and to support vulnerable communities) and reducing the allocation to club operations and improvements. Furthermore, Council will advocate that decisions on the distribution of these funds should include broader community representation.
- 7.5. Council will advocate for a review of the current liquor licensing legislation to ensure that applications for extended hours at clubs and hotels with EGMs must consider the social and economics impacts of increased access to EGMs.
- 7.6. While online gambling is outside the parameters of this policy statement, Council will advocate to the state and federal government for increased research, data collection, and preventative interventions for online gambling.

Principle 8: Building and monitoring the evidence base

Maintaining current and accurate information and data is critical to understanding the social and economic impacts of gambling, particularly in relation to those groups within Hobsons Bay who may be susceptible to becoming problem gamblers.

Commitments

- 8.1. Council will commit appropriate resourcing to:
 - 8.1.1. Maintaining accurate data and information on EGM gambling and problem gambling for use in the development of policy and public resources and as an advocacy tool.
 - 8.1.2. Monitor changes to regulation and legislation and their impacts, including the introduction of voluntary pre-commitment technology by the Victorian Government.

Monitoring and reviewing the policy statement

Ongoing monitoring will occur for the policy statement, with an in-depth review undertaken in 2019. This review will aim to identify what has been achieved since the policy adoption, ensure

the policy statement is still in alignment with state and federal policy changes and to incorporate any changes within community and stakeholder needs.

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Appendix 1- Victorian Planning Provisions - Clause 52.28 and Schedules

52.28-1 Purpose

To ensure that gaming machines are situated in appropriate locations and premises.

To ensure the social and economic impacts of the location of gaming machines are considered.

To prohibit gaming machines in specified shopping complexes and strip shopping centres.

52.28-2 Permit requirement

A permit is required to install or use a gaming machine.

This does not apply in either of the following circumstances:

- Clause 52.28-3 or Clause 52.28-4 specifically prohibit a gaming machine.
- the gaming machine is in an approved venue under the Gambling Regulation Act 2003 on 18 October 2006 and the maximum number of gaming machines for the approved venue on 18 October 2006 is not exceeded.

52.28-3 Prohibition of a gaming machine in a shopping complex

Installation or use of a gaming machine is prohibited on land specified in a schedule to this clause.

This does not apply to a gaming machine in an approved venue under the Gambling Regulation Act 2003 on 18 October 2006; and the maximum number of gaming machines for the approved venue on 18 October 2006 is not exceeded.

52.28-4 Prohibition of a gaming machine in a strip shopping centre

Installation or use of a gaming machine is prohibited in a strip shopping centre if:

- the strip shopping centre is specified in the schedule to this clause.
- the schedule provides that a gaming machine is prohibited in all strip shopping centres on land covered by this planning scheme.

This does not apply to a gaming machine in an approved venue under the Gambling Regulation Act 2003 on 18 October 2006; and the maximum number of gaming machines for the approved venue on 18 October 2006 is not exceeded.

A strip shopping centre is an area that meets all of the following requirements:

- it is zoned for commercial use;
 - it consists of at least two separate buildings on at least two separate and adjoining lots;
 - it is an area in which a significant proportion of the buildings are shops;
 - it is an area in which a significant proportion of the lots abut a road accessible to the public generally;
- but it does not include the Capital City Zone in the Melbourne Planning Scheme.

52.28-5 Decision guidelines

Before deciding on an application, in addition to the decision guidelines of Clause 65, the responsible authority must consider, as appropriate:

- The State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.
- The compatibility of the proposal with adjoining and nearby land uses.

SCHEDULE TO CLAUSE 52.28-3

Prohibition of a gaming machine in a shopping complex

Name of shopping complex and locality	Land description
Central Square Shopping Centre, Altona Meadows	Land on the southwest corner of Central Avenue and Merton Street, also known as 1-23 Central Avenue, Altona Meadows
Altona Gate Shopping Centre, Altona North	Land on the northwest corner of Beuron Road and Millers Road, also known as 124-134 Millers Road, Altona North

SCHEDULE TO CLAUSE 52.28-4

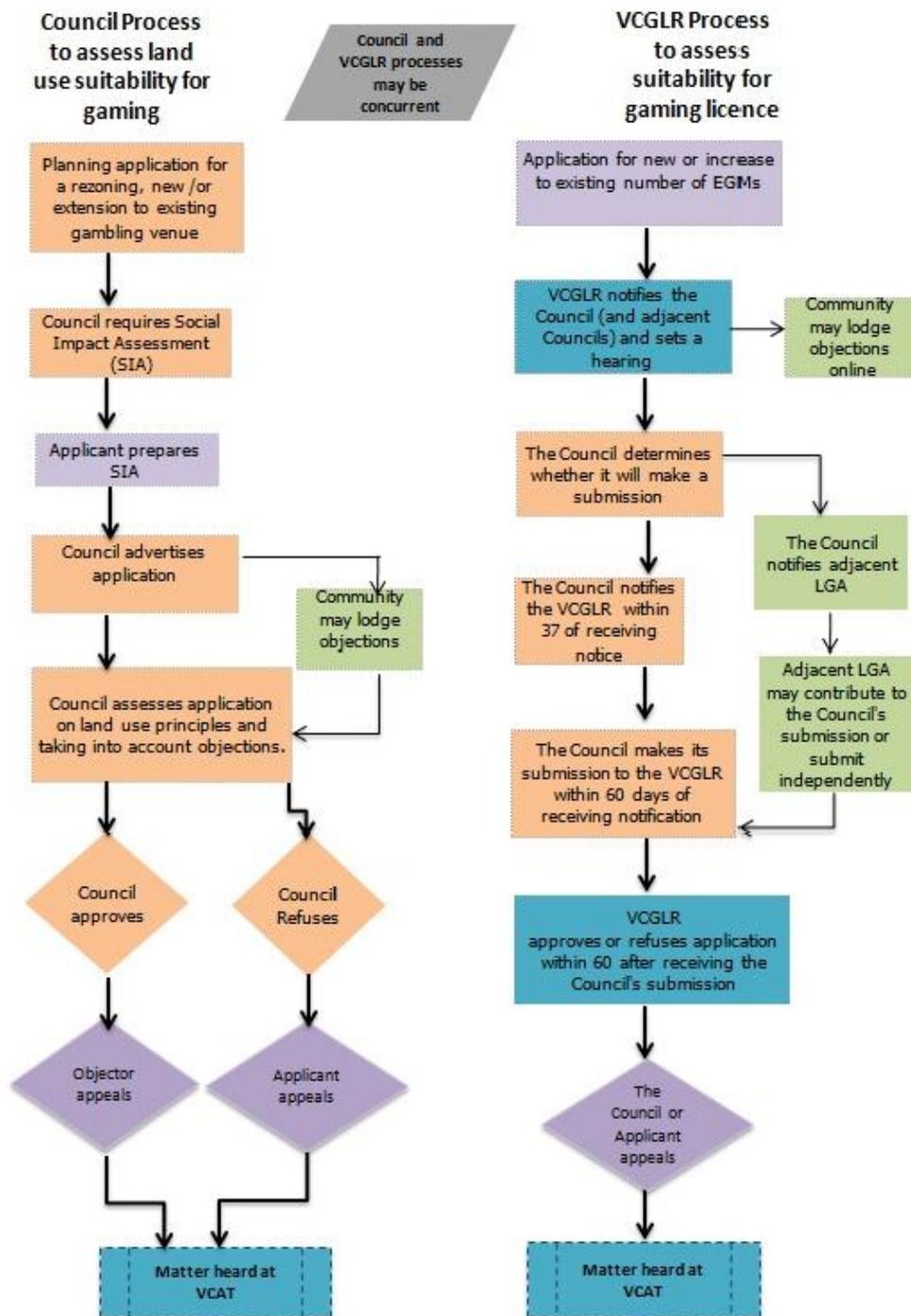
Prohibition of a gaming machine in a strip shopping centre

A gaming machine is prohibited in a strip shopping centre specified in this schedule.

Name of strip shopping centre and locality	Land description
Aviation Road Shopping Centre, Laverton	1-9 (odd numbers) and 2-28 (even numbers) Aviation Rd; 161-163 (odd numbers) Railway Ave; 2-8 (even numbers) Neville Ave
Borrack Square Shopping Centre, Altona	1-39 (odd numbers) and 2-40 (even numbers) Borrack Square; 202-204 (even numbers) Millers Rd
Challis Street Shopping Centre, Williamstown North	31-47 (odd numbers) and 44-56 (even numbers) Challis St
Douglas Parade / Ferguson Street Shopping Centre, Williamstown	2-102 (even numbers) and 7-97 (odd numbers) (including land at the rear of 87) Ferguson St; 1-111 (odd numbers) and 4-110 (even numbers) (including land at the rear of 32-36 (even numbers)) Douglas Pde; 32-36 (even numbers) Lyons St; 101 Napier St; 4-10 (even numbers) Roaches Terrace; 64-68 (even numbers) and 77-83 (odd numbers) Stevedore St; land at the rear of 85 Stevedore St; 72-74 (even numbers) Electra St; 1-17 (odd numbers) and 2-14 (even numbers) Coxs Garden; 2-16 (even numbers) and 15-27 (odd numbers) (including land at the rear of 27) Wellington St; 166-168 (even numbers) Aitken St
Harrington Square Shopping Centre, Altona	1-26 Harrington Square; 120 Maidstone St
Hudsons Road Shopping Centre, Spotswood	29 Hope St; 68-98 (even numbers) and 79-101 (odd numbers) (excluding the rear of 87-97 (odd numbers)) Hudsons Rd

Name of strip shopping centre and locality	Land description
Newport Junction Shopping Centre, Newport	1-5 (odd numbers), 2-26 (even numbers) and 17-33A (odd numbers) Mason St; 33-37 (odd numbers) and 50 Davies St; 1 Susman St; 1-46A Hall St (excluding land at the rear of 15 Hall St); 314-344 (even numbers) and 405-455 (odd numbers) Melbourne Rd
Pier Street Shopping Centre, Altona	18-122 (even numbers) (including the 3 lots at the rear of 122) and 39-121 (odd numbers) Pier St; 9 and 19 Bent St; 112-122 (even numbers) Queen St; 66-92 (even numbers) Railway St Sth; 137 and 153 The Esplanade
The Circle Shopping Centre, Altona	9-13 (odd numbers) and 25-75 (odd numbers) The Circle
The Range Shopping Centre, Williamstown	71-79 (odd numbers) Kororoit Creek Rd
Woods Street Shopping Centre, Laverton	44-68 (even numbers) Woods St; 2-18 (even numbers) Lohse St; 36-38 (even numbers) Maher St
Vernon Street Shopping Centre, Spotswood	15-41 (odd numbers) and 30-36 (even numbers) Vernon St

Appendix 2- EGM Planning Applications and Licences Processes



Appendix 3- EGM Venues and Expenditure (losses) in Hobsons Bay

Venue	No of EGMs	Expenditure (July 2012- June 2013)	Expenditure (July 2013- June 2014)
Altona Bowling Club,	37	\$2,228,481.83	\$1,987,671.29
Altona RSL	58	\$3,460,526.76	\$3,159,364.47
Altona Sports Club	83	\$3,853,373.73	\$3,856,172.73
Club Laverton	60	\$6,271,833.83	\$5,806,993.65
Koorngal Golf Club, Altona	61	\$3,896,665.06	\$4,096,151.36
Millers Inn Hotel, Altona North	70	\$14,243,496.10	\$14,007,760.99
Rifle Club Hotel, Williamstown	40*	\$2,832,195.22	\$2,879,390.62
Seagulls Nest, Newport	66	\$6,814,484.81	\$7,106,209.29
The Vic Inn, Williamstown	60	\$3,131,661.92	\$3,049,209.65
Williamstown RSL	42	\$1,128,394.37	\$1,247,627.14
Total EGMs (at 2014)	577	\$47,861,113.63	\$47,196,551.19
Capped Number	579		

*The Rifle Club Hotel currently holds 59 licences but is only operating 40 machines
Source: Victorian Commission for Gambling and Liquor Regulation, Venue expenditure data