

Acknowledgements

Developed with thanks to all community contributors including local EGM Venue Managers, Council Staff and Community Members.

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EXECUTIVE SUMMARY

Introduction

Approximately seventy five to eighty per cent (75-80%) of Australian's annually participate in some form of gambling, which has earned Australia the unenviable title as 'the biggest gambling nation in the world'. This represents an average of \$1288 spent annually, per adult on gambling related products

According to the Victorian Government, the gambling industry plays a substantial, direct and indirect role in the State's economy by providing a variety of employment opportunities. With in excess of \$53 million lost on Gaming within the City of Melton every year, the economic benefits need to be balanced against the harms gambling creates for some members of the community.

The gambling discussion looks for ways to navigate a complex social policy arena and to explore how to best provide Councils' policy safety net for those potentially affected by gambling related harms and in particular, the value of adopting a harm minimisation policy approach. As directed by Objective 4.4 of the Council Plan, the policy review program was conducted against principles of harm minimisation.

The discussion focused on ways for Councils harm minimisation leadership, as it relates to gambling, to be displayed across all Councils roles and functional areas. Special consideration has been paid to how the policy would relate to the Council in its capacity of both the Responsible and Referral authority, Grants Administrator, Land Owner or Contract Manager.

About Gaming Venues

While considering a wide range of gambling products within the commercial gambling environment, the discussion highlights the role of EGMs and particularly the number of venues, their design and accessibility which present the strongest concerns to policy makers and community alike.

The City of Melton currently has seven gaming venues. The need for appropriate planning in relation to the placement of new venues in the future and directing how additional EGMs might be able to be accommodated at existing venues, is of paramount importance as our community continues to grow rapidly into the future. Defining Councils' various roles, areas of influence and suggesting clear policy preferences sets the primary rationale for discussion.

Planning where future EGM venues may be able to be accommodated in the future, compared to the areas where they should be directed away from, informed by a data rich evidence base, is a key challenge for a growing region. Unplanned saturation of EGMs to the point where they would lead to significant harm for the City of Melton community, would be totally intolerable and avoidance of such is key motivator for developing transparent responsible gambling policy and planning practice now.

About the Discussion paper

Discussion and overview of the commercial gambling environment as it relates to the Melton City Council area (as at July 2014), is presented over ten parts and supporting appendices.

PART 1—INTRODUCTION, PURPOSE AND TERMS

PART 2—OVERVIEW OF THE CITY OF MELTON

PART 3—STRATEGIC ALIGNMENT

PART 4—WHAT IS GAMBLING?

PART 5—THE SATURATION OF GAMBLING & EGMs

PART 6—DEFINING HARMFUL GAMBLING

PART 7—WHAT IS RESPONSIBLE GAMBLING

PART 8—EGM REGULATORY ARRANGEMENTS

PART 9—WHAT COUNCIL MIGHT DO TO INFLUENCE RESPONSIBLE GAMBLING AND HARM MINIMISATION

PART 10—RECOMMENDATIONS AND CONCLUSIONS

This report also achieves the following aims:

1. Provides an evidence base for the development of the Melton City Council Responsible Gambling Policy across a range of complex gambling related matters;
2. Explores ways to mitigate harms associated with problem and higher risk gambling practices within the Melton City Council area;
3. Indicates a preference for collaborative partnerships with community, the gambling industry, product designers, other local governments and levels of government in driving a harm minimisation and pro-social modeling agenda.

4. Begins to explore land use and development policy considerations associated with the review of the Municipal Strategic Statement (MSS) and Gaming Local Planning Policy.

In relation to Melton City, the Councils' policy position on all matters related to gambling has considered the following competing influences:

Accommodating Growth

Interface Councils are expecting a 3.4 per cent growth rate, as compared to urban areas (1.2%) and regional Victoria (0.6%) respectively.¹ The Victorian Parliamentary Inquiry into Livability Options in the Outer Suburbs found that residents at Melbourne's rapidly developing outskirts were relatively disadvantaged in terms of access to health and social services, and that this is manifesting in a range of poor health and social indicators. As a rapidly changing City, this can be expected to hold true for the City of Melton.

Council acknowledges that among the many important planning considerations we need to get right, is the planning for the appropriate placement and incorporation of EGM venues, additional EGMs and other gambling product retail outlets. As a key driver of the Councils' harm minimisation agenda, the rationale for the Responsible Gambling Policy is explained throughout this discussion.

EGM Losses

Total EGM losses provide a pointed, standardised and comparable indicator of gambling harm at the municipal level. While EGM losses for the City of Melton are significantly less than Hume and Brimbank, both these Council areas provide a firm example of what Melton City Council wishes to avoid. It is envisaged that by taking a holistic and preventative approach will go some way to avoid these losses within the Melton City Council area (Pg25).

The social and economic cost of harmful gambling is of ongoing concern to governments and the community, and has been the impetus for the range of policy initiatives by the Victorian State government to combat the effects of problem gambling. Likewise, at the local government level problem and moderate level gamblers are the central focus (Pg28).

Community Effects

Individual factors associated with problem gambling are known to have a flow on effect to the broader community. Impacting directly on families and other relationships, at the community level concerns for finances being directed toward gambling are viewed in terms of the loss of economic opportunity for the community. While the cost to the government in providing Gamblers Help and allied services is often allocated a dollar figure, community advocates argue that the less salient yet significant costs to community go generally unreported.

Some of the negative indicators include: Higher unemployment; Increased percentage of high psychological distress; High rates of diabetes; Lower levels of experiencing feelings of belonging; more of our residents being obese; and higher rates of crime and reportable incidences of family violence (P29).

In Australia problem gamblers lose on average \$12,000 each per year, compared to just under \$650 for other gamblers. Twenty two (22) to 60 per cent of total gaming machine spending (average of 41). The likely range for moderate risk and problem gamblers together is 42 to 75 per cent (P29).

Most policy interest centres on people playing regularly on gaming machines. While the results vary by surveys, it is estimated that around: 600,000 Australian adults (just under 4%) play the pokies weekly or more. Fifteen per cent (15%), or 95,000 of this group are 'problem gamblers'. A further 15 per cent of pokie players face 'moderate risks' (190,000)(P29).

Risk factors associated with problem gambling

There is no particular profile that distinguishes a problem gambler specifically. Certain sections of the community have been identified as being more vulnerable and more likely to develop a gambling problem and experience a greater impact as a result. Vulnerable members of the community include those that are:

- Employed in gambling venues;
- Socially isolated or disengaged from the community;
- Aboriginal and/or Torres Strait Islander;
- Culturally and linguistically diverse;

¹ Essential Economics Pty Ltd. Cited Mitchell Shire Council, Interface Council Scorecard, (accessed 7 August 2014), http://www.mitchellshire.vic.gov.au/downloads/Council/your_council/advocacy/Interface_Council_Scorecard/FINALInterfaceScorecard202013ReportJune2013.pdf Ibid. Pg 7.

- Living in an area of high unemployment;
- Episodes of aggravated pre-existing mental health conditions; and
- Those experiences cognitive distortions associated with the illusion of control.

Disadvantage and impacts of gambling

The role vulnerability and disadvantage plays on an individuals propensity to gamble has been widely documented.² Community Indicators used to explain community vulnerability include Socio-Economic Indexes for Areas (SEIFA), Vulnerability Assessment for Mortgage, Petrol and Inflation Risks and Expenditure (VAMPIRE), Community Indicators Victoria (CIV) and other forms of livability indicators. On the other end of the spectrum, the gambling industry utilises a GeoTech Retail Gravity Model to visually explain the anticipated impacts of its proposal as a retail product.

All of these tools might be useful to explain, anticipate and address the implications for managing applications for gaming venues against the backdrop of challenges of population growth, within an interface urban growth area. It is important that both proponents and decision makers are utilising the same data sets to predict, assess and anticipate impacts appropriately.

Research released in June 2014 into gambling related harms has confirmed long-held suspicions that high per capita expenditure means high rates of problem gambling. Finding that disadvantaged communities are likely to be not only losing financial resources at an alarming rate, but they are also bearing a disproportionate burden of gambling-related human misery. In this research, Markham, Doran and Young advocate that targeted strategies aimed at stemming gambling expenditure especially but not exclusively in disadvantaged locations, as the highest priority³ (P30).

While some research has explored the 'duty of care' owed by the gaming industry and government as the providers of a product known to be unsafe (likened to tobacco and alcohol products), the public health, whole community harm minimisation public policy approach appears to sit most comfortably within the Victorian context. This requires a collaborative effort between Council, community and industry and the discussion explores the current roles within the responsible gambling space (P33).

As the population of the Melton City Council area continues to grow, it will be reasonable to anticipate a corresponding increase in the number of EGM entitlements the Minister for Gambling determines to make available. With another 166 EGM entitlements available within the municipality, the current cap is no barrier to existing venues within the municipality seeking approval for increased EGM numbers, in fact it leaves the door open for entry of at least one or more new venues entirely (P35).

Net EGM expenditure - the total amount lost by month

During 2012/13 financial year a total of \$53,565,855 was spent on electronic gaming machines in the City of Melton. This equates to almost \$4.5 million per month, over \$1 million per week or \$146,000 per day. On average residents spend \$662 per annum on EGM's which is slightly higher than the state average of \$602. Interestingly, the municipality has 5.71 EGM's per 1,000 populations which is slightly less than the state average of 6.00 EGM's per 1,000 populations.⁴ These figures appear to remain consistent for the 2013/14 financial year (P36).

In relation to EGM venues, the City of Melton is part of the North West Melbourne catchment. The VCGLR advises that in 2012-2013, the North West Melbourne catchment had 2641 EGMs in 46 gaming venues. It had a total net EGM expenditure (losses) of \$342,752,363.25 and \$780.84 per adult. There were 6.02 EGMs per 1000 adults and 9542 adults per gaming venue⁵ (Pg37).

The curious dichotomy of State Government acting as chief regulator, while simultaneously being a principal benefactor of gambling proceeds is regular source of fodder by the rigors of academia, Parliamentary Committees and Productivity Commissions alike. This policy dilemma is treated no differently here and within the Melton City context (Pg38).

The new Policy adopts a no surprises approach, provides for the sharing of this type of information, establishes community collaboration and supports open decision making based facts and data. A selection of some of the Policy considerations and analysis is provided

² Australian Medical Association (2013), Preamble to the AMA Position Statement: The Health Effects of Problem Gambling 2013.

³ Markham, F, Doran, B, Young, M (11 June 2014) Our most profitable gambling venues are the most harmful, The Conversation (Accessed 20 June 2014)

⁴ Victorian Commission for Gaming Regulation, accessed 5 January 014, www.vcglr.vic.gov.au

⁵ VCGLR, Gambling Information Resource Office Information sheet, Electronic gaming machine data, 2012-2013, Catchment areas for Gambler's Help services, Metropolitan region – North West Melbourne catchment, accessed on 11 June 2014, http://www.responsiblegambling.vic.gov.au/data/assets/pdf_file/0005/6656/EGM-xpenditure-per-catchment-North-West-Melbourne-info-sheet.pdf

Selected Policy Considerations and Analysis

1. Limiting opportunity for unchecked expansion of the gambling industry is of particular significance and evidenced by the Hume (double EGM numbers and losses) and Brimbank (three times as many losses) experiences.
2. Finances expended on Gaming represent but one of many negative community indicators. Loss of financial opportunity, the community members time and personal resources associated with gambling, also require further exploration.
3. As discussed, the number of EGM Venues and to a lesser extent, EGM numbers, have a direct impact on EGM losses and Gambling related harms. Limiting the number of EGM venues is a primary harm reduction strategy.
4. As the physical location and venue proximity to sensitive land uses and overall design also play a role in problem gambling, consideration should be given to whether Council has a preference for more machines in existing venues and assessment criteria for new venues from an amenity based outcome management approach.
5. Precinct structure planning and urban design frameworks required Planning Scheme amendments will need to address land use and development assessment criteria considerations to accommodate and direct new EGM and other gambling retail outlets (P25).

1. The definition and the manner in which 'Community Benefit' is assessed skewed positively towards the gambling industry in all levels of decision making by the VCGLR. This is evidenced by the finding 'net economic and social benefit' is a most gaming licence determinations by the Commission and even more so on appeal at VCAT.
2. The GeoTech Retail Gravity model is accepted by the Commission as a proponents assessment of the retail impact of the proposal. The bright lights, fanfare and pedestal the proposal is placed on under this model, leaves traditional notions of SEIA discussion flailing in the shadows. Any documentation prepared by Council aimed at challenging claimed 'community benefit' needs to be equally compelling. Finding ways to demystify the mystique of the retail gravity model, while boosting the allure of locally anticipated detrimental impact is needed in order to ensure improvement in gaming licence determinations.
3. Community perceptions of gaming, local stories and experiences need to be captured and incorporated in Melton City Councils SEIA suite of tools.
4. Baseline SEIA reports should be compiled for all 7 existing EGM venues and established gambling outlets, to enable more effective response to future licence and permit applications
5. The development of Melton's own Gambling Saturation Index will be on way of collating and benchmarking local gambling product data and impacts (pg 44).

PART 1—INTRODUCTION

Legal forms of gambling are widely recognised as part of Australia’s rich social and entertainment tapestry.⁶ Approximately seventy five to eighty per cent (75-80%) of Australian’s annually participate in some form of gambling, whether this is a punt at the races, the purchase of a lottery ticket, playing the pokies or a night out at the casino.⁷ In fact, Australia has earned the unenviable title as the biggest gambling nation in the world, representing an average of \$1288 spent annually, per adult on gambling related products.⁸

According to the Victorian Government, the gambling industry plays a substantial, direct and indirect role in the State’s economy by providing a variety of employment opportunities. The gaming industry employs gaming attendants, food and beverage attendants and other hospitality, management and entertainment professionals.⁹ Gambling activity underpins world renowned entertainment complex Crown Casino¹⁰ and major events such as the Melbourne Cup which attracts tourists to the state and provides positive flow on effects throughout the Victorian economy.¹¹

It is accepted that what comes along with variety of employment benefits, is a potential for negative social and economic harm, in some communities and for certain individuals, as a result of gambling activity.¹² A small, yet significant portion of the community experience substantial harm due to their inability to control their gambling behaviour referred to as the ‘harmful gambling’ continuum.¹³ In this regard, Council has clear roles associated with advancing a harm minimisation approach, particularly around EGMs, which include:

- **Leading the Harm Minimisation Agenda**—working across community to identify and lead by example and develop strategies aimed to raise awareness and reduce harms associated with higher risk gambling practices;
- **Responsible Authority**—in accordance with the Planning and Environment Act 1987, in deciding on applications for planning permit;
- **Site, premises or land owner/manager**—in situations where gaming venues are already established or proposed to be situated, are owned, managed or vested in the authority of the Council
- **The Referral Authority**—where an application for a gaming licence or planning permit is made (within the City of Melton) or a neighbouring municipality (Hume, Brimbank, Moorabool, and Wyndham) and is referred to Melton City Council for comment;
- **Key Stakeholder**—during times of government review or alternative mechanisms involving community consultation and community advocacy; and
- **Administrator of Community Benefit Grant & Trust Agreements**—The Council’s Grant Administrators may support the administration on behalf of Contributing Gaming Venues.

⁶ Productivity Commission, (2010). Gambling: Productivity Commission inquiry report. Commonwealth of Australia: Canberra

⁷ Shepherdson, E (2012), Pokies Assessments: a ‘how to guide’, Victorian Local Governance Association, Melbourne.

⁸ Gambleore.Com , Top Ten Gambling Nations (accessed 13 June 2014) www.gambleore.com/top-ten/top-10-gambling-nations/

⁹ Victorian Government (2009), Submission to the Productivity Commission Inquiry into Gambling in Australia, Melbourne

¹⁰ Markham, F & Young, M (2013) What are the odds new casinos lead to social harm? Brisbane Times accessed 12 December 2013, <http://www.brisbanetimes.com.au/comment/what-are-the-odds-new-casinos-lead-to-social-harm-20131015-2vkmf.html>

¹¹ Victorian Government, Above n 9.

¹² Productivity Commission, Above n6.

¹³ Abbott, M., Binde, Per., Hodgins, D., Korn, D., Pereira, A., Volberg, R., Williams, R,.. (2013). Conceptual Framework of Harmful Gambling: An International Collaboration. The Ontario Problem Gambling Research Centre (OPGRC), Guelph, Ontario, Canada. and Australian Government, (2013) Problem Gambling: The facts, accessed 11 June 2014, <http://www.problemgambling.gov.au/facts/>

PURPOSE

The purpose of this discussion paper is to provide the background context for Melton City Council's strategic policy positions in relation to Gambling, particularly Electronic Gaming within the Melton City Council municipality and surrounding areas.

Although the intention of Melton City Council is to develop a whole of community, Responsible Gambling Policy, underpinned by a harm minimisation approach, much of this discussion tends to be focused on the impact of Electronic Gaming Machines (EGMs). EGMs play a disproportionate role in raising concerns for harmful gambling (or problem gambling as it's otherwise known).

As is explained throughout this discussion paper, it is EGMs and particularly the number of venues, their design and location which is of the highest concern to policy makers and community alike. This discussion is concerned with the Councils areas of influence, whether these be as a direct decision maker; acting as a referral authority; or in situations where Council has an advisory role.

Council has a significant role in planning for and creating opportunities for our communities to emerge, flourish and become resilient and self supporting as our municipality grows to around double its current size between now, 2030 and beyond.¹⁴

Supporting a strong empowered community requires sound and strategically justified planning, policies and frameworks from which to make the best decisions possible. Particularly when Council has been delegated the role of making decision on behalf of the community.

This discussion aims at providing relevant background information in a way that is both easy to read and might even be used as a starting point for further research. Its purpose is to help inform Council Policy and explain the Councils and communities role in reducing harms that can arise from problem gambling while explaining what we can do collectively to address it together.

Starting with the context of gambling in the City of Melton, along with some of the more technical aspects of gambling regulation, Councils suggested roles in developing open and accountable decision making and community education and collaboration approaches are explored.

This discussion outlines the known factors associated with problem and moderate risk gambling practice (harmful gambling), details the current legislative context of gambling in Victoria and explains its impact within and around the Melton municipality.

The City of Melton currently has seven gaming venues. The need for appropriate planning in relation to the placement of new venues in the future and directing how additional EGMs might be able to be accommodated at existing venues, is of paramount importance as our community continues to grow into the future. Defining Councils' various roles, areas of influence and suggesting clear policy preferences sets the primary rationale for discussion.

¹⁴ Melton City Council, Forecast id, accessed on 21 July 2014 at <http://forecast.id.com.au/melton>

TERMS

TABLE ONE – GLOSSARY OF TERMS

Term	Meaning
DSM-IV and DSM-V	Diagnostic and Statistical Manual of Mental Disorders (DSM)
Gambling Disorder (Previously Pathological Gambling under the DSM-IV)	<p>A Diagnosis under DSM-V associated with:</p> <p>A. Persistent and recurrent problematic gambling behavior leading to clinically significant impairment or distress, as indicated by the individual exhibiting four (or more) of the following in a 12-month period:</p> <ul style="list-style-type: none"> Needs to gamble with increasing amounts of money in order to achieve the desired excitement. Is restless or irritable when attempting to cut down or stop gambling. Has made repeated unsuccessful efforts to control, cut back, or stop gambling. Is often preoccupied with gambling (e.g., having persistent thoughts of reliving past gambling experiences, handicapping or planning the next venture, thinking of ways to get money with which to gamble). Often gambles when feeling distressed (e.g., helpless, guilty, anxious, depressed). After losing money gambling, often returns another day to get even (“chasing” one’s losses). Lies to conceal the extent of involvement with gambling. Has jeopardised or lost a significant relationship, job, or educational or career opportunity because of gambling. Relies on others to provide money to relieve desperate financial situations caused by gambling. <p>B. The gambling behavior is not better explained by a manic episode.</p>
Electronic Gaming Machine (EGM)	Commonly known as a “poker machine” or “pokie”, an EGM is a computerised, continuous staking, rapid play gaming machine that maps the selections of a random number generator to a visual output on a video screen. It has a predetermined rate of return and a reward system that is based on computerised logarithmic programming (85 cents to the dollar returned over an annualised period).
Expenditure on gambling (gaming losses)	The amount wagered less the amount won. Also referred to as gambling losses. When reported by the VCGLR (the Commission) in relation to individual gaming venues, Gaming expenditure refers to the earning or revenue raised by gaming venues and EGMs.
Gaming	Within the current context, gaming is the verb applied to the activity associated with EGM patronage.
Gaming products	The Commercial Gambling environments consists of Gambling products. These include lottery tickets, scratchies or EGM’s. Each of these opportunities to gamble, in all their forms are referred to as a gambling product.
Gambling	Gambling is wagering of money or something of value on an uncertain event that is dependent on chance, or partly on chance and partly on skill.
Harm minimisation	<p>Harm minimisation strategies consider the health, social and economic consequences of problem gambling behaviours on both the individual and the community as a whole. The approach is based on the following:</p> <ul style="list-style-type: none"> Gambling is an acceptable part of Australian society Gambling occurs across a continuum, ranging from occasional and infrequent to high risk problem gambling A range of harms are associated to different types and patterns of gambling behaviour A range of approaches are needed to respond and reduce related harms, which involve whole of community, not just gambling venues, Government or counseling service providers. <p>Harm minimisation approaches will underpin SEIA’s associated with all new EGM proposals within Melton City.</p>

TABLE ONE – GLOSSARY OF TERMS (CONTINUED)

Interactive gambling	Wide variety of emerging digital technologies that provide access to worldwide gambling networks that wager with each other, against an unlimited range of outcomes.
Problem gambling	Problem gambling refers to a situation when a person's gambling activity gives rise to harm to the individual player, or their family and may extend to the community harms as well.
Responsible gambling	Responsible gambling for individuals means: <ul style="list-style-type: none">• the person may gamble for pleasure and entertainment but is aware of their likelihood of losing and understand the associated risks,• the person exercises control over their gambling activity, and• responsible gambling occurs in balance with other activities in their lives and is not causing problems or harm for themselves or others. For the broader community, including gambling providers, governments, and sporting associations, Responsible Gambling requires: <ul style="list-style-type: none">• shared responsibility for generating awareness of the risks associated with gambling,• creating and promoting environments that prevent or minimise problem gambling, and• being responsive to community concerns around gambling.
SEIA	Social and Economic Impact Assessment (SEIA) is a process by which a collection of community indicators are presented in a report in an attempt to tell a story about how a proposal will impact on the community to be affected by it. They are often used as a report as an end in itself, rather than a process of identifying the strategies they might assist in mitigating the harms presented by the proposal.

PART 2—OVERVIEW OF CITY OF MELTON

The City of Melton is one of the fastest growing municipalities in Australia, offering the best in urban and rural lifestyles and affordable land within a comfortable commuting distance from Melbourne, Victoria and links to Melbourne's key freeways, airports and the Port of Melbourne.

As shown in figure 1, embracing a series of townships and communities, the City of Melton, includes Caroline Springs (19 kilometres west of Melbourne's CBD) and Melton (35 kilometres west of Melbourne's CBD). As illustrated by figure 2, with a current population forecast of 127,937 in 2014, the city is expected grow to nearly double its size to 241,699 (91.16%) by 2031.¹⁵

Melton City is one of nine 'interface Council' municipalities which form a ring around Metropolitan Melbourne. Interface Council areas encompass unique qualities, as they bridge the gap between metropolitan Melbourne and rural Victoria. Only about thirty per cent (30%) of the land within each interface municipality is currently classified as urban. The remaining land is presently considered rural and generally comprised of agricultural land, parklands, water courses and rural communities.¹⁶

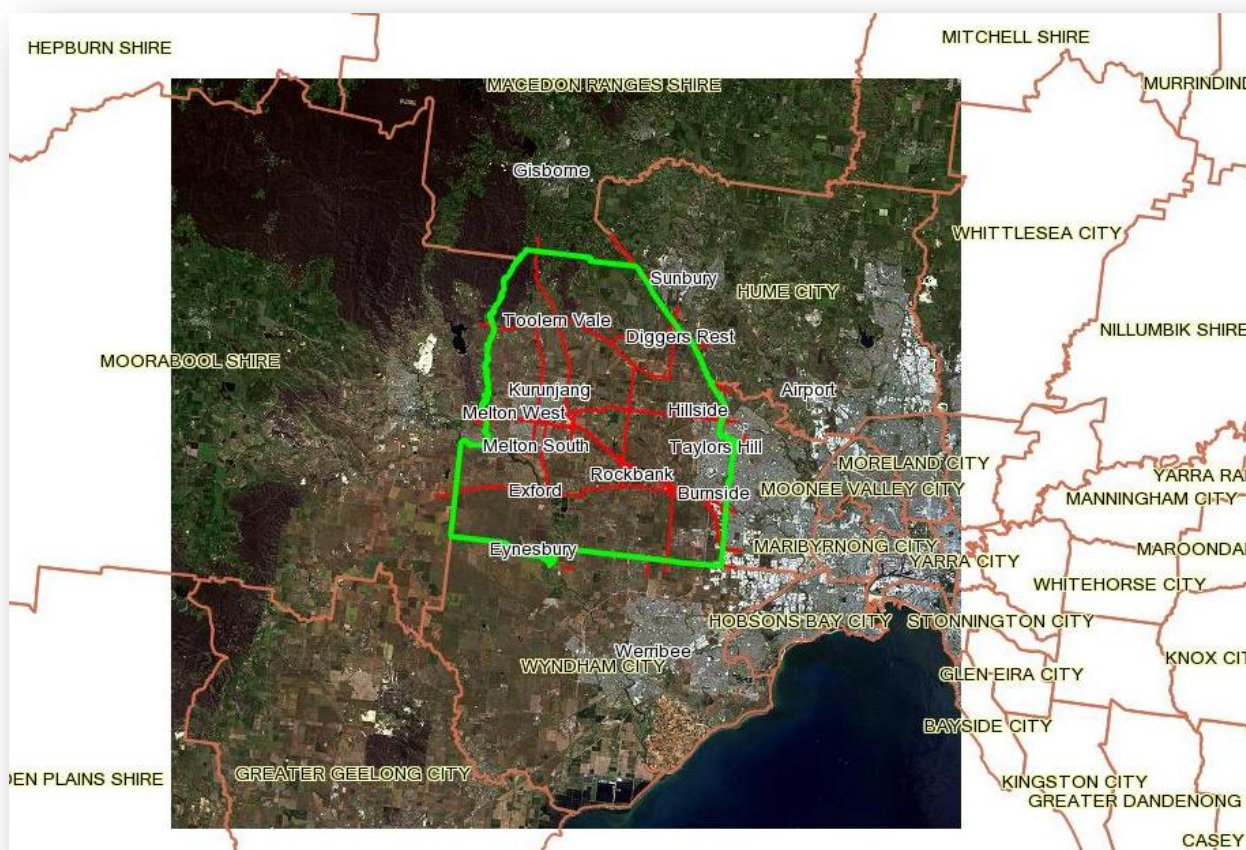


Figure 1 Melton City Council area

¹⁵ Forecast I.d, <http://forecast.id.com.au/melton> (accessed on 22 June 2014).

¹⁶ Submission no 96, Interface Councils, Parliament of Australia's House of Representatives Committee on Infrastructure, Transport, Regional Development and Local Government inquiry into the impact of the global financial crisis (GFC) on regional Australia, (accessed 7 August 2014).

Other Interface councils are:
Wyndham City Council
Hume City Council
City of Whittlesea
 Cardinia Shire Council
 Mornington Peninsula Shire Council
 City of Casey
 Nillumbik Shire Council
 Shire of Yarra Ranges

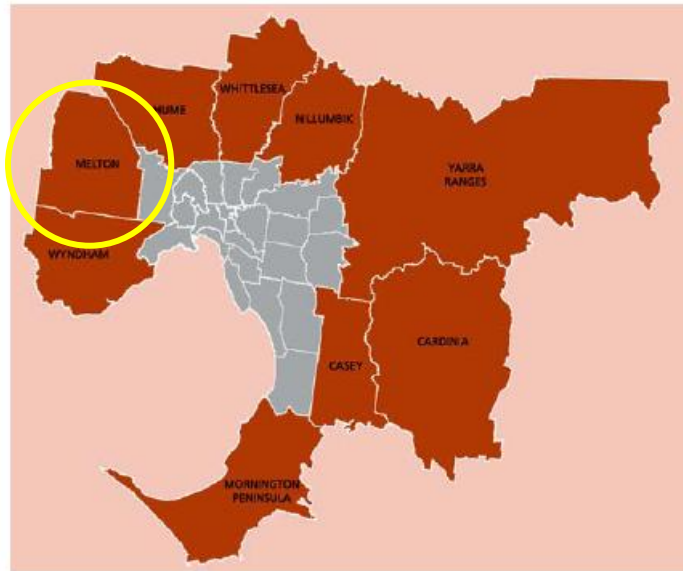


Figure 2. Victorian Interface Councils

Interface Councils are expecting a 3.4 per cent growth rate, as compared to urban areas (1.2%) and regional Victoria (0.6%) respectively.¹⁷ For the Melton City Council area, this equates to nearly double the current population of 127,000 to 241,699 (representing an anticipated 91% increase). As well as accommodating new residents, community infrastructure and facilities, activity centres, transport and open spaces all need to be planned for and strategically delivered. As a consequence, key policies and plans need to be able to project forward and plan for our future generations as well as addressing current need. This represents a significant policy driver in the development of an integrated Responsible Gambling Response for Melton City Council.

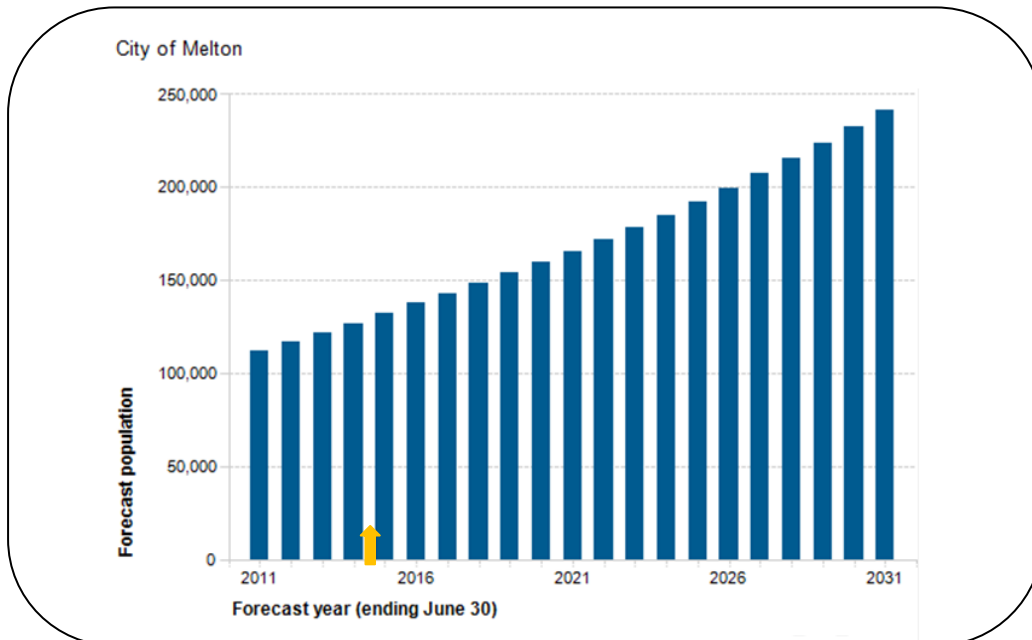


Figure 3. The City of Melton Anticipated Population Growth

Source: <http://forecast.id.com.au/melton>

The Victorian Parliamentary Inquiry into Livability Options in the Outer Suburbs found that residents at Melbourne’s rapidly developing outskirts were relatively disadvantaged in terms of access to health and social

¹⁷ Essential Economics Pty Ltd., Above n 1

services, and that this is manifesting in a range of poor health and social indicators. As a rapidly changing City, this can be expected to hold true for the City of Melton.

For some, rapid growth may bring improved economic, social, built and natural outcomes within the context in which they live, while for others the division between advantaged and disadvantaged communities continues to widen. The Australian policy landscape reports that this results in disadvantaged communities facing increased ill health and poor wellbeing outcomes.¹⁸ Figure 4

illustrates that allocated funding within the interface areas is significantly disproportionate to the areas percentage of growth anticipated across the State.

This contention that socially and economically disadvantaged communities face poorer determinants of health, have higher levels of physical and mental illness and have higher rates of chronic disease resulting in lower life expectancies is a major challenge for Council and the Melton City community.

These health and wellbeing indicators are of particular relevance within the context of responsible gambling policy, as indicators of vulnerability and disadvantage are closely linked to determinants of propensity to gamble and the harmful gambling continuum. Where a direct inference to gambling can be drawn, many of these intersected policy tensions will be explored within the current discussion.

For many reasons, the rapid conversion of Melton into a thriving urban area will take considerable planning, leadership and investment across community. Developing precinct structure plans, evidence based social policies and incorporated documents to support Planning Scheme Amendments are essential to the success of vibrant active communities growing together. Council acknowledges that among the many important planning considerations we need to get right, is the planning for the appropriate placement and incorporation of EGM venues, additional EGMs and other gambling product retail outlets. As a key driver of the Councils' harm minimisation agenda, the rationale for the Responsible Gambling Policy is explained throughout this discussion.

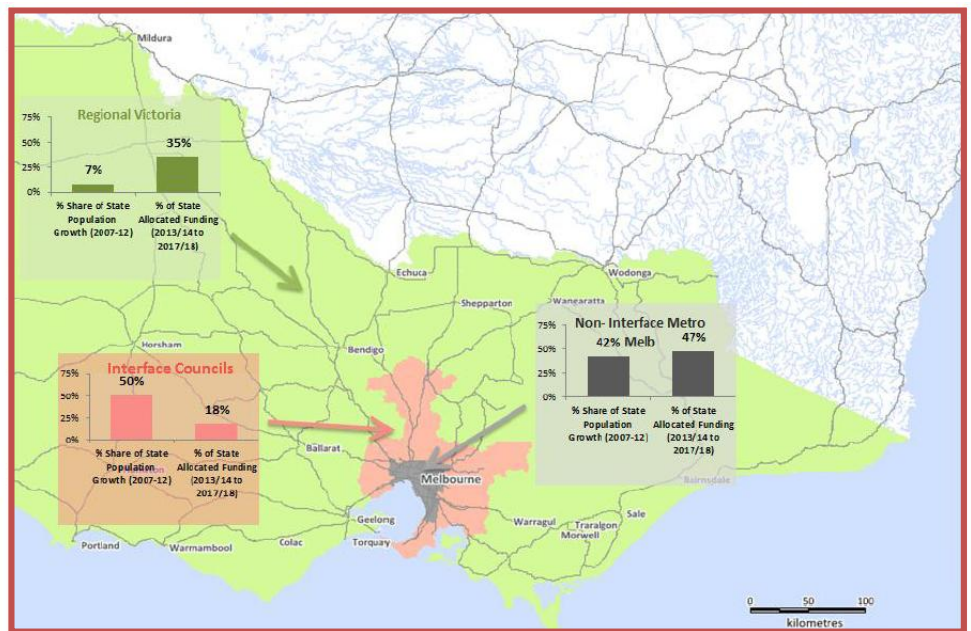


Figure 4. Percentage Share of Population Growth (2007-12) v % Allocated Funding (2013/14 to 2017/18), by Geographical Area

Source: Original Source: ABS, 3218.0 Regional Population Growth, Australia

¹⁸ Melton City Council (2013), The City of Melton Health and Wellbeing Profile.

PART 3—STRATEGIC ALIGNMENT

There are numerous pieces of Victorian legislation and strategic documents that influence Council policy, gaming regulation and Council's recommended policy approach. This background paper was prepared with reference to a range of information sources, which have been cited as relevant. All relevant Council policy positions will be guided by relevant social justice directions, together with the current policy drivers. In relation to Melton City, the Councils' policy position on all matters related to gambling will be considered and developed against the following influences:

THE LEGISLATIVE CONTEXT TO GAMING IN VICTORIA

The installation and use of EGMs requires two permissions – a planning permit and a gaming licence. As they are separate application processes, it is up to the individual applicant as to whether these permissions are sought concurrently or consecutively and, if so, in what order.

The relevant provisions governing the Councils' policy position in relation to EGMs are set out in the following legislation and other documents:

- ***Gambling Regulation Act 2003***
- ***Planning and Environment Act 1987***
- ***Local Government Act 1989***
- ***Public Health and Wellbeing Act 2008***
- *Victorian Commission for Gambling and Liquor Regulation Bill 2011*
- *Casino Control Act 1991*
- *Casino (Management Agreement) Act 1993*
- ***Liquor Control Reform Act 1998 and***
- ***Gambling Regulation (Pre-commitment) Regulations 2012***

(Items in bold are of most relevance to the current discussion, and Appendix 1 provides further detail in relation to the legislative context of gambling)

Strategic Council Documents

- Council Plan 2013-2017
- Municipal Public Health and Wellbeing Plan 2013-2017
- Melton Shire Responsible Gaming Policy 2008-2012
- Melton City Council Responsible Gambling Background Discussion Paper 2014 (this paper) and
- Municipal Strategic Statement, Melton City Council Planning Scheme Provisions.

Other Sources

- Social policies and Local Planning Provisions of other Victorian Councils Current Victorian Commission for Gambling and Liquor Regulation (VCGLR) gaming trends data and statistics
- The Victorian Human Rights and Responsibilities Act 2006
- Ottawa Charter for health promotion and

- Research in areas of harm minimisation, ‘duty of care’, ‘standard of care’ (Common law of negligence) and related themes of causation, gambling pathology and gambling disorder as included in the DSM-IV and DSM-V.

COUNCIL PLAN 2013-2017

The development of the Melton City Council Responsible Gambling Policy is directed by the Council Plan 2013-2017. Other strategic documents (to be developed), will also provide Melton City’s strategic vision and harm minimisation objectives in the immediate future. In particular, Objective 4.4 of the Council Plan, not only provides strategic justification for the Responsible Gambling Policy, including this background discussion paper, the Council Plan obliges Council to the following areas for action:

- Research current and future trends in social harms related to gambling ... (Objective 4.4.1)
- Prepare Social Impact Assessments on venue-based liquor licence and gaming applications to minimise impact on high risk areas (Objective 4.4.2)
- Collaborate with service agencies, venues and local community groups to explore proactive approaches in preventing and reducing the harms associated with gambling (Objective 4.4.3); and
- Work with the industry, venues and retailers to support awareness and lawful compliance concerning the sale and use of gaming products (Objective 4.4.4).

In addition to these stated objectives, Table One following, lists the relevant Council strategies and service delivery areas which are anticipated to support the delivery of the Melton Responsible Gambling Policy and Harm Minimisation Framework.

Other Strategy Influences

Gambling also intersects with the following strategic Council strategy and service areas

TABLE TWO—RELATIONSHIP WITH COUNCIL STRATEGIC DOCUMENTS

- Precinct structure plans (PSPs) and urban design frameworks (UDFs)
- Youth Strategy
- Tourism, recreation, economic development, infrastructure strategies and plans
- Facilities, centres and services plans and
- Positive Ageing, Cultural Diversity and Disability Action Plans.

PART 4—WHAT IS GAMBLING?

Gambling involves the act of risking money or something of value, on the outcome of an uncertain event, for the potential gain either financially or otherwise¹⁹. Gambling takes many legal commercial forms within Australia. As monetary loss is a distinctive characteristic of harmful gambling, commercial forms of gambling are the focus of Council policy.

SCOPING LIMITATIONS

Private gambling between friends and colleagues falls largely outside this discussion, however any situation where illegal gambling activities are alleged, the matter will be directed to Police for investigation. In most cases the investigation or enforcement of illegal gambling will fall outside the realm of Council's statutory authority and such matters will be dealt with by relevant law enforcement authorities.

The proliferation of more ubiquitous forms of gambling which continue to advance along with the rate of technology, makes it increasingly difficult for policy makers and community advocates to influence any form of beneficial outcomes within the on-line and smartphone-app gaming arena. The rise of on-line sports betting, internet casino's and the plethora of gambling options becoming increasingly available, is of particular concern, however understanding the impact of these forms of requires further investigation.

Council policy and its area of influence is largely concerned with understanding the multitude of commercial forms of gambling.

TYPES OF GAMBLING

As previously indicated, Council Policy considerations are limited to those which fall within the scope of legal gambling products, which are both regulated and controlled. While it is important to appreciate a working definition of each Gambling product available within Australia, it is the area of Electronic Gaming that Council is the most concerned, and more generally gambling product availability within our municipality.

CASINO



A casino is a registered facility which is permitted to legally provide a variety of gambling activities that might include such products as Blackjack, Poker, Two-Up, Roulette and Baccarat. A casino more often than not, also provides other forms of gambling including poker machines, Keno and jackpots. Crown Melbourne is the sole casino operator licensed to operate in Victoria. In addition, to the onsite gambling activities available, Crown Melbourne has a wide variety of non-gambling activities, including restaurants and cafes, live entertainment, theatre, cinema, shopping, bowling, laser tag, bars and nightclubs.²⁰

¹⁹ Gambling and Racing Commission (2013), *Gambling, Act Responsibly: Take control*, Australian Capital Territory.

²⁰ Crown Melbourne, www.crownmelbourne.com.au accessed 12 June 2014.

WAGERING

This involves placing a bet (financial or object) with a party with agreement on what each party will receive as a result of a particular outcome or event.

Examples of this form of gambling include:

- Placing a bet on the expected outcome of a horse race, greyhound race or trots; or
- Betting on the outcome of a sporting result such as football, rugby or soccer.



LOTTERIES

A lottery is when money is placed on an outcome with the result determined by chance. There are two public lottery licences operating in Victoria, Tattersall's Sweeps Pty Ltd and Intralot Australia Pty Ltd.

Tattersall's Sweeps products include: Tattslotto, Super 7's Oz Lotto, Powerball, Super 66 and midweek Lotto.

Intralot Australia products include: Keno, Pick 5 Heads or Tails, Cross and Match (Lucky Lines), TV Bingo, Instant Lottery Games and Instant Scratchies.



INTERACTIVE GAMBLING

Interactive gambling is the fastest growing form of gambling.²¹ The digital world provides gamblers 24 hour worldwide access to gambling products that are conveniently accessed through a personal computer, smartphone or digital television.²²

Australian's are increasingly using and relying on digital technologies such as the internet and smart phones²³ for communication, entertainment and business purposes.²⁴ The gambling industry has evolved along with this societal shift by developing applications that provide a full range of gambling options that include:

- Access to casino tables including poker, blackjack and roulette;
- Sportsbetting on football, horse racing, cricket and rugby;
- Lotteries, tattslotto, bingo and scratch tickets; and
- Access to worldwide gambling networks that wager with each other against an unlimited range of outcomes.



As many of these products are operated off-shore, many are not licensed, or approved by the Gambling Regulation Act 2003, and may in fact be operating within Victoria and Australia illegally.

²¹ Parliamentary Joint Select Committee on Gambling Reform, (2011). Review of Interactive Gambling Act: Second Report. Commonwealth of Australian: Canberra.

²² Monaghan, S, Derevensky, J, & Sklar, A, (2008). Impact of Gambling Advertisements and Marketing on Children and Adolescents: Policy Recommendations to Minimize Harm. Journal of Gambling Issues

²³ Australian Communications and Media Authority, (2013), Australia's mobile digital economy – ACMA confirms usage, choice, mobility and intensity on the rise, Canberra, Australian Government.

²⁴ Australian Bureau of Statistics, (2012), Yearbook.

ELECTRONIC GAMING MACHINES (EGMs)

This form of gambling is often referred to as 'pokies' or 'poker machines'. Typically the user inserts coins or tokens into the machine and chooses the amount they wish to gamble. A button is then pushed which causes electronic reels with icons to spin and auditory tones from the machine to sound. Once rotation stops the icons with differing value determine the amount won or sum lost. In Victoria the rate of return is calculated at eighty seven cents in the dollar (soon to be reduced to 85 cents), however this is averaged out across a twelve month period, with no guarantee that it will be returned to the individual, or within a 24 hour, week or month time period.



REASONS PEOPLE GAMBLE

There are many and varied reasons for people to participate in gambling related activity. People's motivation may change with increased exposure and frequency to gambling products. Generally, such reasons can be grouped into two broad categories:

Excitement or Thrill—Some people are attracted to the potential of the big win or the hope that they will win back the money they have lost previously.

Distraction or Social Outlet—Others gamble because it helps them to forget or distracts them from problems in their life, gets them out of the house and reduces feelings of boredom, isolation and loneliness, or as a result of perceived limited alternative recreation activities.²⁵



The social and economic cost of harmful gambling is of ongoing concern to governments and the community, and has been the impetus for the range of policy initiatives by the Victorian State government to combat the effects of problem gambling. Likewise, at the local government level problem and moderate level gamblers are the central focus.

Policy Considerations and Analysis

1. Appreciating the various gambling products and the level of harm each present is important to the formulation of community education and awareness raising programs.
2. Understanding how Planning Scheme amenity based considerations and assessment criteria may be able to influence the proliferation and access to gambling products is a key policy challenge.

²⁵ Problem Gambling, accessed on 12 June 2014 <http://www.responsiblegambling.vic.gov.au/getting-help/signs-of-a-problem/why-do-i-gamble>

GAMBLING IN VICTORIA

Victorian residents have access to a wide range of gambling options across the State and this is no different for the residents and visitors of Melton City. Within the municipality gambling options include wagering, lotteries, Club Keno, EGM's and interactive gambling. A total of \$5.4 billion was expended across the variety of gambling options in Victoria over the 2012/13 financial year, an amount equal to the entire economy of a small nation.²⁶



Figure 5. Gambling Expenditure in Victoria

Source: Victorian Commission for Gambling and Liquor Regulation, 2012/13 Gambling Expenditure

EGMS IN VICTORIA

Victoria has established a 'cap' of 30,000 EGMs, of which 2,500 are situated at Crown Casino, and the remaining 27,500 split between clubs and hotels across the State. Apart from the Casino, there is a maximum of 105 EGMs per venue and a minimum of 20 per cent of Victoria's EGMs must be located outside the Melbourne metropolitan area.

In June 2012, there were 26,778 EGMs located in 509 clubs and hotels in Victoria (excluding Crown Casino). The amount lost on these EGMs state-wide in 2012-13 was approximately \$2.49 billion. The total number of EGMs per 1,000 adults in Victoria is 6.0 and the average loss per adult was \$602 in 2011-12 and over the 2012/13 period, this reduced slightly to \$565.²⁷

²⁶ Victorian Commission for Gambling and Liquor Regulation, Gaming Expenditure 2012/13

²⁷ Victorian Commission for Gambling and Liquor Regulation, Statistics: totals for Local Government Areas, VCGLR, Melbourne, 2012, accessed June 2014, <<http://www.vcglr.vic.gov.au>>

The maximum allowed density of EGMs is 10 for every 1,000 people in local government area. This mechanism remains in place, but few areas are currently at the cap which means there is significant scope for additional EGMs and EGM movements in coming years.

CHANGES IN 2012

In August 2012, new gaming licensing arrangements came into operation in Victoria ending Tabcorp's and Tattersalls' duopoly as Victorian gaming operators. Previously they had held 50 per cent each of the gaming licences external to the casino. The new arrangements enable venue operators to purchase 10-year EGM entitlements, which authorised them to own and operate EGMs at approved gaming venues. The venue operators now stand to receive a higher proportion of revenue from the EGMs they operate, as the revenue will be split between the venues and the government rather than being distributed between the gaming operators, the venues and the government. As EGM entitlements can be transferred between licensed venues on the transfer market, which is regulated by the Victorian Commission for Gambling and Liquor Regulation (VCGLR) there may be greater movement of EGMs between venues than there has been before.^{28*}

Other changes to EGM gambling in Victoria that came into effect in 2012 include:

- The creation of a new regulatory body that combined the former Victorian Commission for Gambling Regulation (VCGR) and Liquor Licensing Victoria. The new Commission, the Victorian Commission for gaming and Liquor Regulation (VCGLR), commenced operation on 6 February 2012.
- The removal of ATMs from EGM venues, with an exemption allowed for venues in rural locations, where there are limited cash facilities.
- The establishment of a single, independent monitoring licensee, Intralot Gaming Services Pty Ltd, to provide an electronic monitoring system that all EGMs in Victoria must be connected to.

The Victorian Government also committed to implementing 'voluntary pre-commitment' on all EGMs by 2016.²⁹ The Victorian pre-commitment system will enable players to predetermine the dollar amount they are willing to lose. This system is also able to track playing history and spending over time. Under these arrangements, venue operators will be required to provide and maintain certain player account equipment to facilitate the operation of the pre-commitment system at their venues.

Quick Facts on Victorian EGM's

1. EGMs in Victoria represent the third highest participation rate of all forms of gambling (21%) behind lotto and powerball (47%) and raffles, sweeps and competitions (42%)
2. Victorian EGM's attract the highest expenditure (46%) of all gambling revenue (Melbourne Casino 28% & wagering 15%)
 - An EGM can easily generate \$1500 of income per hour
 - Victoria's net expenditure was \$2.5 billion on EGMs during 2012-13
3. EGMs must have a return rate of at least 87 per cent [not calculated to be returned to the individual user, machine or even within a 24 hour period, but averaged across a 12 month period-soon to be reduced to 85 per cent (85%)]

*Source: Victorian Commission for Gambling and Liquor Regulation, 2012/13 Gambling Expenditure

²⁸ Shepherdson, Above n 7. p.9. Note*: The process employed by the government in relation to the auctioning off of EGM entitlements has received much public scrutiny. Conservative estimates indicate that the value of entitlements was seriously under estimated. The Napthine Government embarked on a review of the EGM entitlement term. Many LGA's submitted to the review. (Accessed July 2014), <http://www.premier.vic.gov.au/media-centre/media-releases/10182-gaming-machine-entitlement-term-review.html>

²⁹ Victorian Government, Gaming Machine Arrangements 2012: statement of outcomes II, Victorian Government, Melbourne, February 2009, pp.7, 27; *The Age*, 'Baillieu breaks pokies vow', Melbourne, 5 February 2012.

Table Three—Total EGMs and EGM Losses in Victoria

	Totals	
Venues: 2013	509	
Licensed EGMs: 2014	27,233	
Attached EGMs: 2014	26,065	
Licensed EGMs per 1,000 Adults: 2012/2013	6.2	
EGM Gaming Losses 2012/2013	\$2,483.8	million
Losses per Adult 2012/2013	\$565	
Cumulative Losses since 1992/3 (2013 dollars)	\$53,899	million
Cumulative Losses per Adult since 1992/3 (2013 dollars)	\$12,270	
% Change in Losses in year 2012/2013	-7.4	%
% Change in Losses - adjusted for Inflation	-9.8	%

Source of data used here: Victorian Commission for Gambling & Liquor Regulation, Australian Bureau of Statistics & the RBA

EGMs IN VICTORIA AND NEIGHBOURING MUNICIPALITIES

The map on page 20 shows gaming machines per 1,000 adults for metropolitan LGAs, while the following figures provides a summary overview of the gaming expenditure during 2012/13 and 2013/14, and the number of gaming venues in neighbouring municipalities. Notably, the City of Brimbank experienced the highest losses of all local government areas in Victoria during 2012/13 and 2013/14.

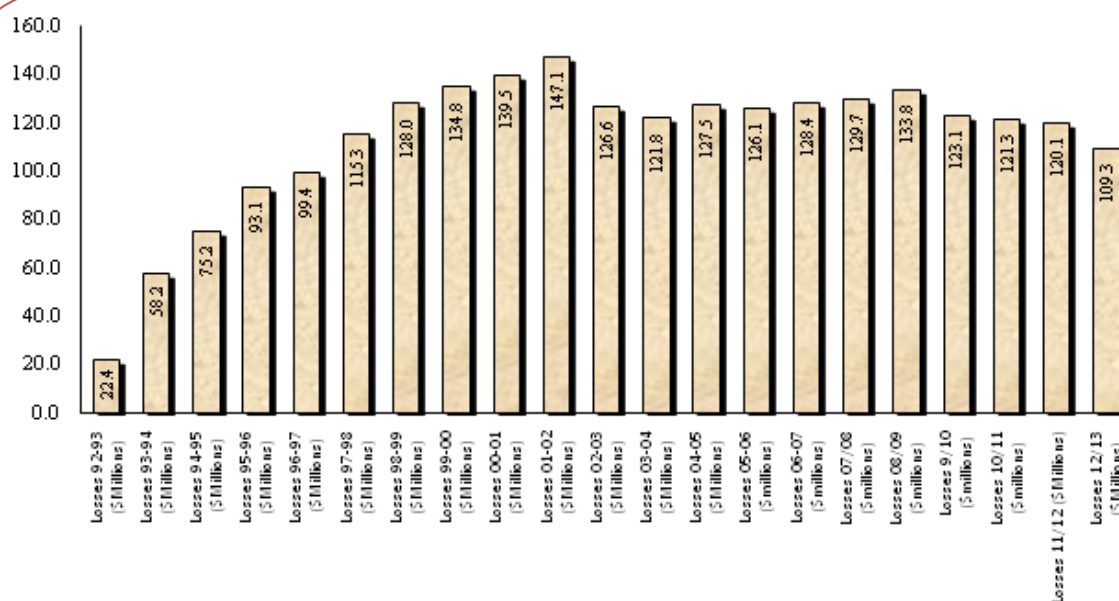


Figure 6. Total EGM Losses Victoria by Year 1992-2013

Source of data used here: Victorian Commission for Gambling & Liquor Regulation, Australian Bureau of Statistics & the RBA

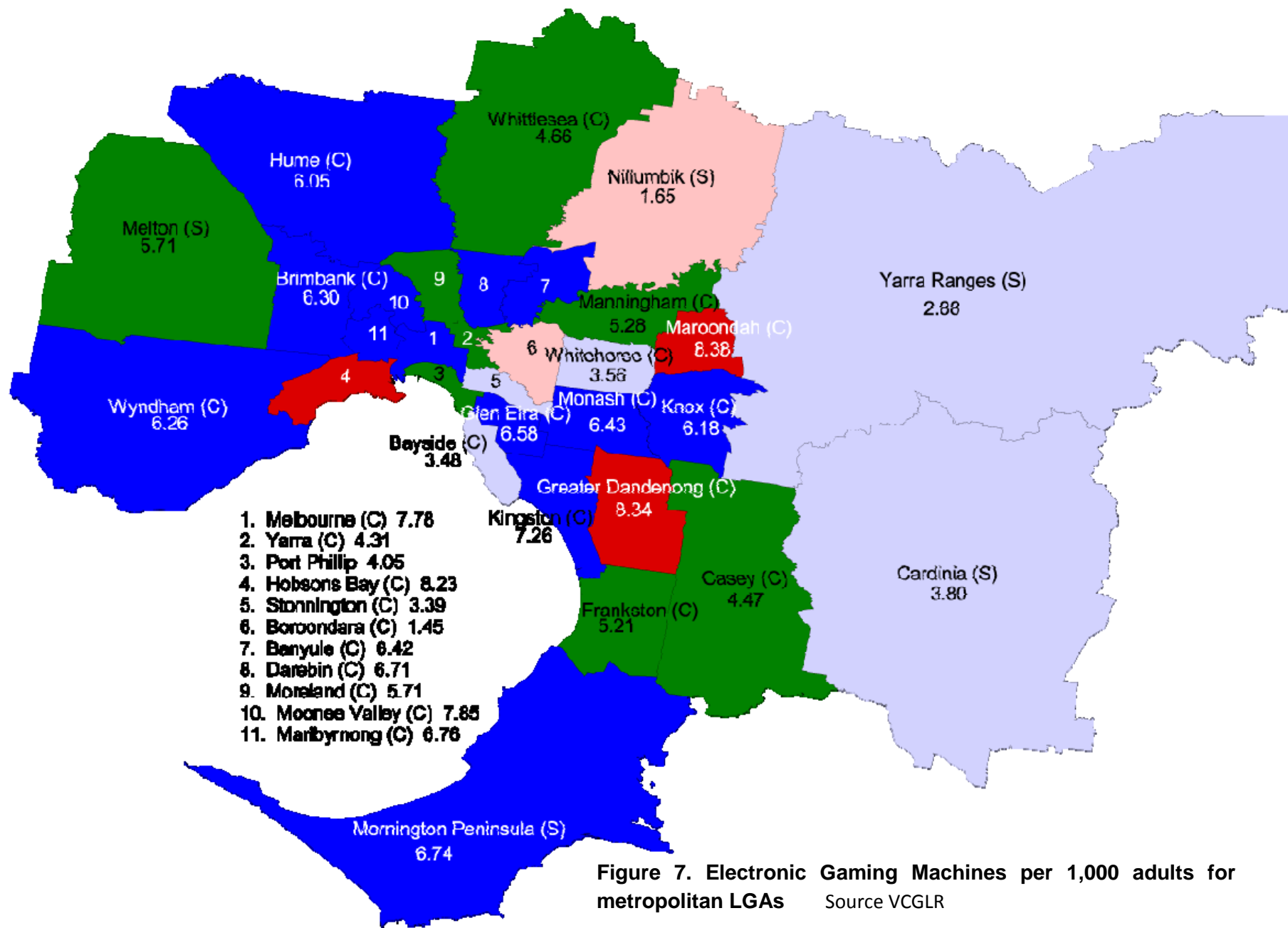


Figure 7. Electronic Gaming Machines per 1,000 adults for metropolitan LGAs Source VCGLR

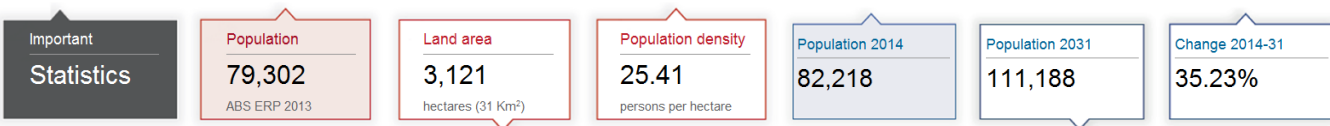
POPULATION PROFILES OF NEIGHBOURING MUNICIPALITIES

When contrasting neighbouring municipalities. It is important that the current and forecast population are an included consideration. As illustrated by the excerpts from Profile i.d and Forecast i.d from Brimbank, Hume, and Maribyrnong all of these municipalities are anticipating notable population increases. As shown in figure 5 on page 22, the City of Melton, with similar population figures to the City of Maribyrnong, also shares similar levels of gaming losses. The challenge for the current policy is to consider how to best ensure Melton's expenditure does not escalate to those levels experienced by Brimbank and Hume.

Melton Profile i.d



Maribyrnong Profile i.d

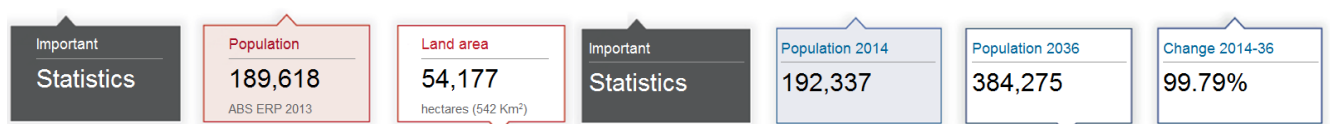


Brimbank Profile i.d



Interface Councils

Wyndham Profile i.d



Hume Profile i.d



Whittelsea Profile i.d



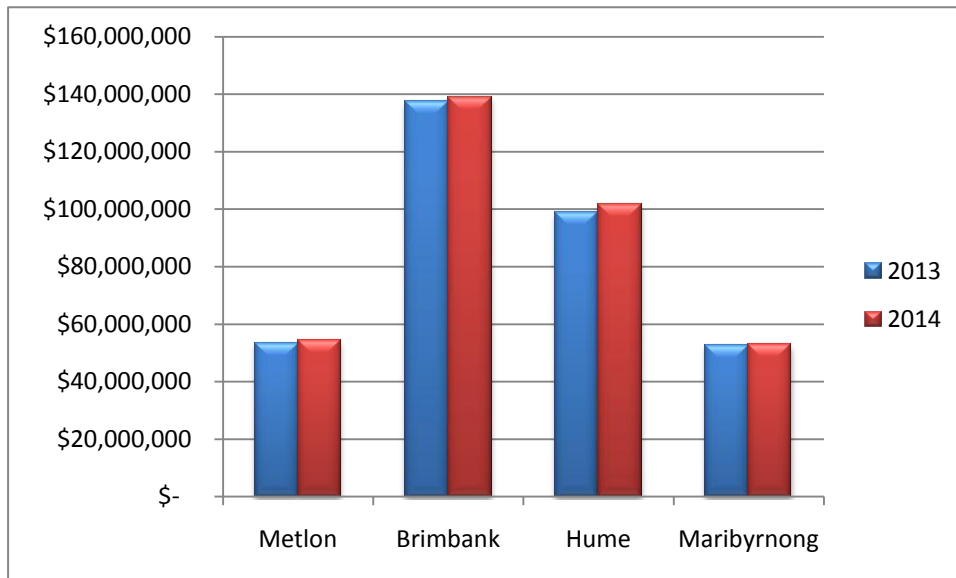


Figure 8. Net Expenditure by Selected LGA

Source of data used here: Victorian Commission for Gambling & Liquor Regulation, Australian Bureau of Statistics & the RBA

As at 2012/2013, both the City of Brimbank and the City of Hume reported twice as many venues as the City of Melton.

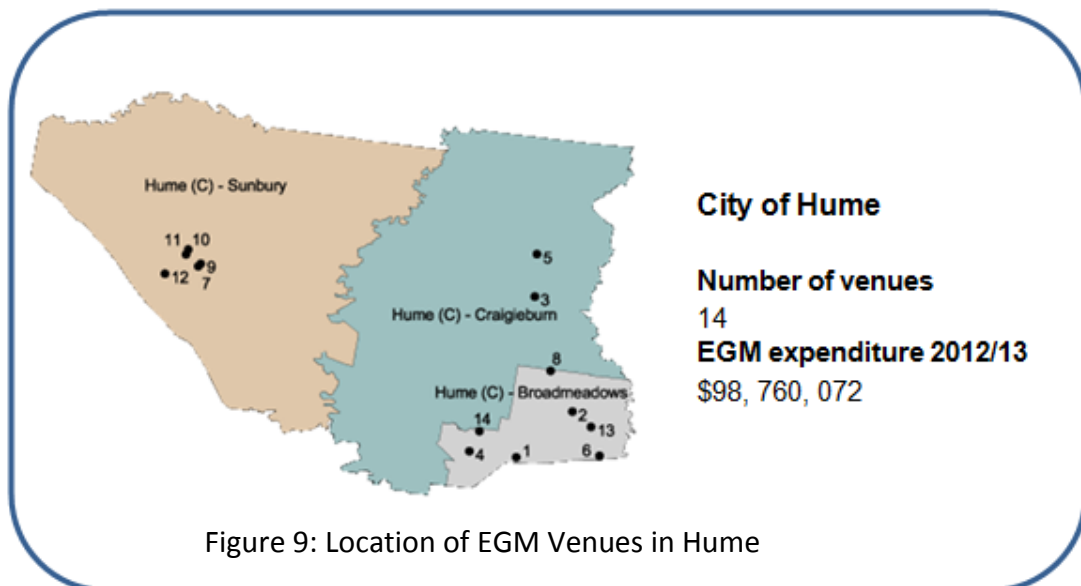


Figure 9: Location of EGM Venues in Hume

Source: Victorian Commission for Gambling and Liquor Regulation, 2012/13 Gambling Expenditure

As indicated in figure 9 above, Hume has 14 EGM venues. With double the number of EGMs than Melton, this equates to almost double the losses.

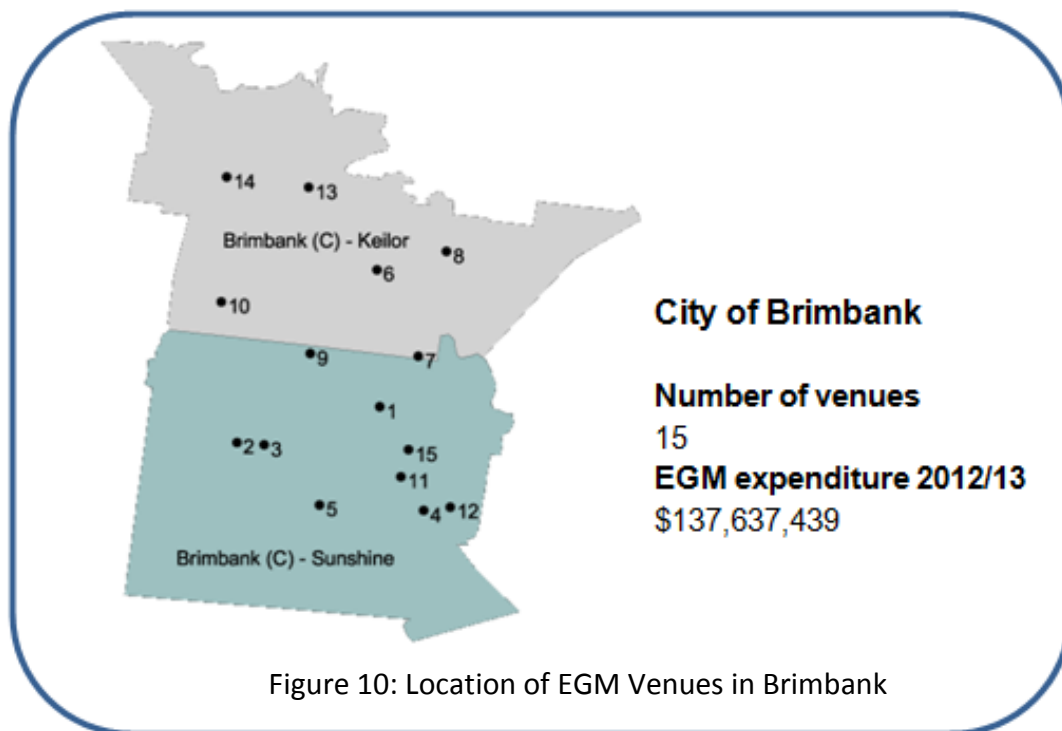


Figure 10: Location of EGM Venues in Brimbank

Like Hume, the City of Brimbank is currently home to 15 separate EGM venues, which attracts nearly three times the amount currently lost on EGMs in Melton.

As Wyndham, Hume and Brimbank all border Melton, it is reasonable to estimate that some of this revenue in these areas is derived from Melton City Council residents.

EGMs IN MELTON

There are seven EGM venues currently operating within the Melton municipality that provide gambling activities and other non-gambling entertainment such as live performance, themed and sporting events and a range of dining options. Venues are a mixture of club, hotel and premier entertainment facilities. TabCorp Park attracts hundreds of national and international tourists to race meets and its function rooms, while venues like West Waters provide quality accommodation, function rooms and entertainment activities. Within the operational context of such venues, EGMs form an important funding stream, while performing a less visible function of the business.

Between 2011/12 and 2012/13, expenditure on gaming machines decreased slightly, however current Victorian Commission for Gambling and Liquor Regulation (VCGLR) data indicates that gaming expenditure increased again over the 2013/14 period. Table three provides the aggregate total EGM numbers and losses within Melton City. Breakdown of Figure 11 illustrates the locations of the current gaming venues in Melton.

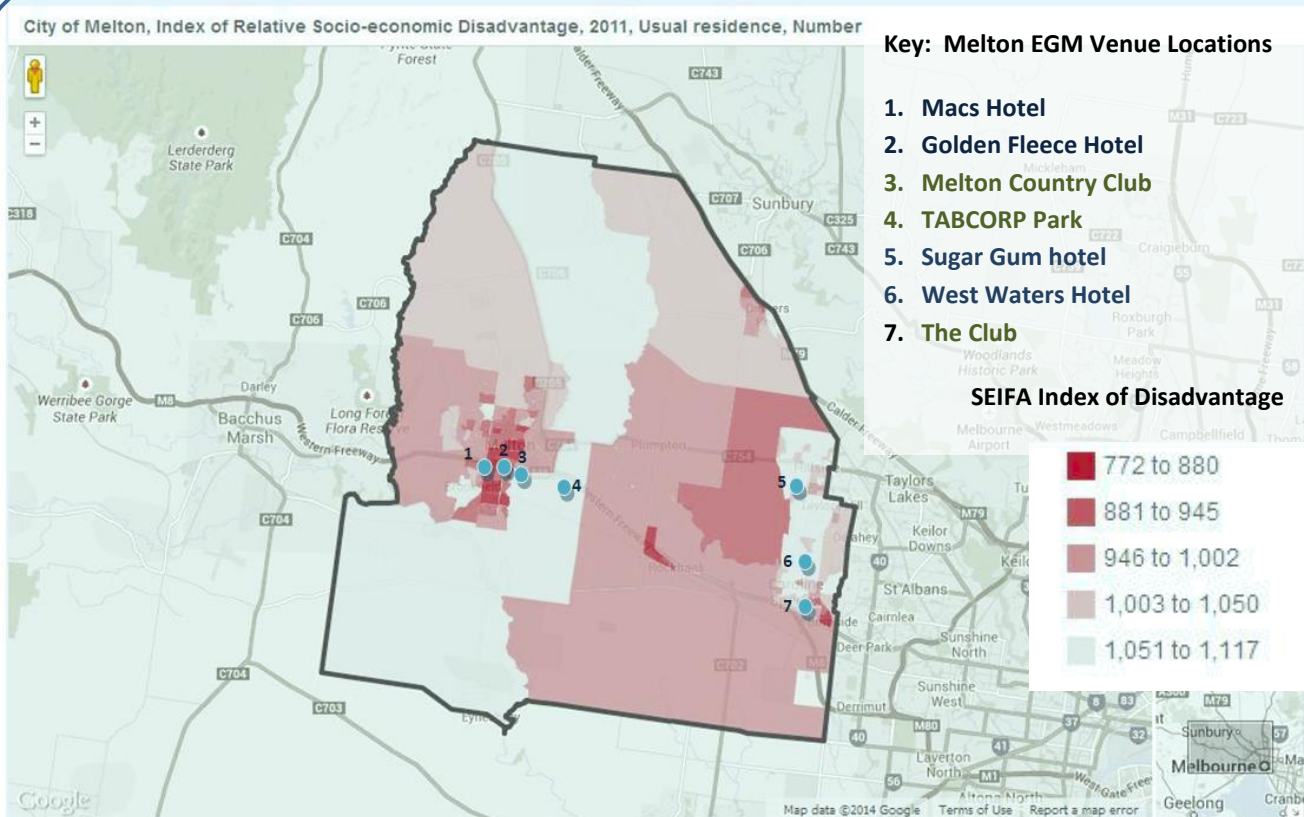


Figure 11. Location of EGM Venues in Melton and related SEIFA Index of Disadvantage

Source Profile id. 2011

Table Four—EGMs and EGM Losses in City of Melton 2012/13

	Totals		Ranking
VENUES: 2013	7		RELATIVE TO ALL OTHER 79 VICTORIAN LGAS
LICENSED EGMs: 2014	493		42
ATTACHED EGMs: 2014	493		24
LICENSED EGMs PER 1,000 ADULTS: 2012/2013	5.9		44
EGM GAMING LOSSES 2012/2013	\$53.6	MILLION	21
LOSSES PER ADULT 2012/2013	\$636		20
CUMULATIVE LOSSES SINCE 1992/3 (2013 DOLLARS)	\$685	MILLION	28
CUMULATIVE LOSSES PER ADULT SINCE 1992/3 (2013 DOLLARS)	\$8,133		42
% CHANGE IN LOSSES IN YEAR 2012/2013	-5.2	%	17
% CHANGE IN LOSSES - ADJUSTED FOR INFLATION	-7.6	%	-

Source of data used here: Victorian Commission for Gambling & Liquor Regulation, Australian Bureau of Statistics & the RBA

Total EGM losses provide a pointed, standardised and comparable indicator of gambling harm at the municipal level. While EGM losses for the City of Melton are significantly less than Hume and Brimbank, both these Council areas provide a firm example of what Melton City Council wishes to avoid. It is envisaged that by taking a holistic and preventative approach will go some way to avoid these losses within the Melton City Council area.

Policy Considerations and Analysis

- 1) Limiting opportunity for unchecked expansion of the gambling industry is of particular significance and evidenced by the Hume (double EGM numbers and losses) and Brimbank (three times as many losses) experiences.
- 2) Finances expended on Gaming represent but one of many negative community indicators. Loss of financial opportunity, the community members time and personal resources associated with gambling, also require further exploration.
- 3) As demonstrated above, the number of EGM Venues and to a lesser extent, EGM numbers, have a direct impact on EGM losses and Gambling related harms. Limiting the number of EGM venues is a primary harm reduction strategy.
- 4) As the physical location and venue proximity to sensitive land uses and overall design also play a role in problem gambling, consideration should be given to whether Council has a preference for more machines in existing venues and assessment criteria for new venues from an amenity based outcome management approach.
- 5) Precinct structure planning and urban design frameworks required Planning Scheme amendments will need to address land use and development assessment criteria considerations to accommodate and direct new EGM and other gambling retail outlets.

PART 6—DEFINING HARMFUL GAMBLING

When defining what can and should be done to reduce gambling losses and gambling related harms within a community, it is important to explore the health and social outcome of gambling, both the positive and the potential negative consequences. This part of the discussion defines associated terms and explains Council's role in providing leadership and demonstrating pro-social modeling in delivering its harm minimisation agenda directed towards reducing 'harmful' and 'problem gambling' community outcomes.

HEALTH AND SOCIAL OUTCOMES OF GAMBLING

There are a range of positive and negative health and social impacts that can be associated with gambling. Some of the benefits provided to the community include an entertainment and social option, donations to sporting clubs and community groups and employment. However, this discussion (while attempting to offer a balanced view), recognises that gambling can lead to significant harm to the health and wellbeing of the community.

POSITIVE EFFECTS OF GAMBLING

Our community derives some benefit from the gambling industry operating in the municipality through a variety of ways that include:

- Harness Racing Victoria and Collingwood Football Club are required to provide annual community grants alongside Council's Community Grants Program that administers grant money for projects that benefit the community.
- Direct financial and non-monetary support of local sporting clubs and community groups.
- Providing employment opportunities within the municipality.
- Subsidising community support services, including Counseling.
- Provision of increased amenity for the municipality such as conference facilities and accommodation.
- Providing a variety of entertainment options that also include non-gambling entertainment such as dining, live music and stage performances.
- Creating tourism opportunities which attract economic benefit from outside the municipality such as harness racing at TabCorp Park.

As detailed in later discussion, less direct support is also derived from the State Government's Community Support Fund.

NON-HARMFUL GAMBLING

Non-harmful gambling includes gambling for recreation or entertainment purposes and in low-risk and/or in controlled situations. Non-harmful gambling sustains, enhances or has little to no impact on a gambler's state of wellbeing (but note the term is not intended to imply that gambling promotes personal growth and/or health). A discussion on non-harmful gambling and some of the positive aspects of gambling can be found in a recent publication titled 'Why people gamble: A model with five motivational dimensions' (Binde, 2012b). Non-harmful gambling has also been referred to as responsible, healthy, social, recreational, low-risk, leisure, or private

gambling.³⁰ Entering a sweep or placing a bet on the Melbourne Cup, purchasing the odd lottery ticket or otherwise gambling within your means, within a social or community fundraising context would be examples of non-harmful gambling.

The social and economic cost of harmful gambling is of ongoing concern to governments and the community, and has been the impetus for the range of policy initiatives by the Victorian State government to combat the effects of problem gambling. Likewise, at the local government level problem and moderate level gamblers are the central focus.

HARMFUL GAMBLING

Harmful gambling is described as any type of repetitive gambling that an individual engages in that leads to (or aggravates) recurring negative consequences such as significant financial problems, addiction, as well as physical and mental health issues. Negative consequences may also be experienced by the gambler's family, social network, and community. The degree of harm can range from inconsequential, to transient, to significant, and finally to chronic. For the purposes of this discussion, the definition provided by Ontario's Conceptual Framework of Harmful Gambling is used.³¹ Harmful gambling encompasses all manner and degrees of severity and frequency. Harmful gambling has also been referred to as problem gambling, compulsive gambling, irresponsible gambling, gambling disorder or pathological gambling. The differences between such terms are in-part a matter of severity as well as frequency of gambling. Pathological gambling was previously categorised as the most extreme form of harmful gambling in the Diagnostic and Statistical Manual of Mental Disorders - Fourth Edition (DSM-IV). The new DSM-V now identifies Gambling Disorder as a type of addictive disorder (as defined in Table 1-Terms). The full consequences of the reclassification of this form of harmful gambling are yet to be understood, although within Victoria indicators of harmful gambling are typically reported as problem gambling and moderate risk gambling.

Problem Gambling

Harmful gambling, in its most reported form as 'problem gambling', impacts negatively on the individuals themselves, those close and the wider community.³² Detrimental impacts associated with problem gambling are known to be varied and include a wide variety of interpersonal problems, including:

- family breakdown
- dishonesty and fraud
- unemployment
- substance abuse
- family violence
- loss of productivity or business
- poorer health outcomes and
- increased crime.³³

For many reasons harmful gambling behaviour is increasingly becoming a public health issue, as it impacts adversely on the mental, physical and social wellbeing of individuals and the broader community. In addition to the 'Problem Gambler' another portion of the community may experience similar negative impacts as problem gamblers, albeit, not to the same degree.³⁴ This type of gambler, referred to as a 'moderate risk gambler', is

³⁰ Binde, P. (2012b). Why people gamble: A model with five motivational dimensions. *International Gambling Studies* 13, 81-97, cited in Abbott et al Above n 13 – p7 at 7

³¹ Abbott et al Above n 13, The Ontario Problem Gambling Research Centre

³² Neal, P, Delfabbro, P, & O'Neil, M (2005). Problem Gambling and Harm: Towards a National Definition. Report prepared for the National Gambling Research Program Working Party: Melbourne.

³³ Productivity Commission, Above n 6.

³⁴ Department of Justice, A study of gambling in Victoria, Fact Sheet 9 Electronic Gaming Machines.

considered to be more able to change their gambling behaviour than a problem gambler.³⁵ Both 'problem' and 'moderate risk' gamblers are situated at the more extreme end of the harmful gaming continuum, and pose the most concern for policy makers, Gamblers Help and emergency relief groups alike. Council recognises that good social policy requires a coordinated response by all levels of government, gambling venues, service providers and community in order to be able to understand and to mitigate against the negative social and economic impacts of gambling.³⁶

The primary challenge for the current discussion is to explore these seemingly competing policy issues, in order to indicate what might represent a preferred Council policy position over the next four years, appropriate to the context of an emerging and ever growing urban municipality.

Community Effects

Individual factors associated with problem gambling are known to have a flow on effect to the broader community. Impacting directly on families and other relationships, at the community level concerns for finances being directed toward gambling are viewed in terms of the loss of economic opportunity for the community. While the cost to the government in providing Gamblers Help and allied services is often allocated a dollar figure, community advocates argue that the less salient yet significant costs to community go generally unreported.

An underlying economic concern is assumed in association with the funds lost on EGMs not being available to be spent on other household staples or locally available lifestyle products, while further concerns are held for the more hidden types of community burden. These include the hidden costs to the community in terms of detrimental health impacts, increased frequency of GP visits, loss of productivity and employment, relationship breakdown and other side effects of poor mental health outcomes.

The VCGLR estimates that 1.2 per cent of people living in the North West Metropolitan area is a problem gambler. Yet, 70 per cent of Australian adults do not play EGMs at all.³⁷ Counseling agencies dispute official estimates about the extent of problem gaming, claiming that it is a largely hidden problem affecting a much higher percentage of gaming patrons than the government or venue operators are prepared to recognise.

The effects of problem gambling are generally understood to include any or several of the following impacts:

- Personal – stress, depression, anxiety, suicide, poor health;
- Financial – financial hardship, debt, asset loss, bankruptcy;
- Legal – bankruptcy, theft, imprisonment, domestic or other violence;
- Interpersonal – family violence, relationship breakdown, family neglect; and
- Work and Study – job loss, absenteeism, poor performance.

³⁵ Australian Medical Association (2013) Above n 2.

³⁶ Prime Minister (1999), *National Approach to Problem Gambling and Productivity Commission* (2009), *Gambling Draft Report*, Australian Government, Delfabbro, P, (2008). A review of Australian gambling research. Gambling Research Australia: Melbourne. Productivity Commission, (2010). *Gambling: Productivity Commission inquiry report*. Commonwealth of Australia, Canberra.

³⁷ Commission analysis from data provided by the VCGLR; DOJ 2009b.

These health and wellbeing impacts are particularly concerning to our municipality when considering our community negatively features in many social, health and wellbeing indicators when compared to Victorian averages. Some of the negative indicators include:

- Higher unemployment;
- Increased percentage of high psychological distress;
- High rates of diabetes;
- Lower levels of experiencing feelings of belonging;
- More of our residents are obese; and
- Higher crime rates and family violence.

QUICK STATS ON PROBLEM GAMBLING

The 2010 Productivity Commission report into Gambling made the following key points in relation to problem gambling

- Based on available survey data, there are between 80,000 and 160,000 Australian adults experience significant problems from their gambling (0.5 to 1.0 % of adults), with a further 230,000 to 350,000 experiencing moderate risks that may make them vulnerable to problem gambling (1.4 to 2.1 % of adults).
- Although there are substantial difficulties in calculating gambling expenditure, it is estimated that problem gamblers account for 22 to 60 per cent of total gaming machine spending (average of 41). The likely range for moderate risk and problem gamblers together is 42 to 75 per cent.
- Most policy interest centres on people playing regularly on gaming machines. While the results vary by surveys, it is estimated that around:
 - 600,000 Australian adults (just under 4%) play the pokies weekly or more.
 - Fifteen per cent (15%), or 95,000 of this group are 'problem gamblers'. A further 15 per cent of pokie players face 'moderate risks' (190,000).
- While not definitive for Australia as a whole, problem gambling prevalence rates among the adult population have probably fallen since the 1990s.
- Falling regular EGM playing is an important component of this outcome, though natural adaptation, government policies and actions by venues have probably also contributed. However, for the key indicators for policy, there is:
 - No evidence that the share of total spending accounted for by problem gamblers has fallen; and
 - No reliable indications of a significant decline in the rate of problem gambling among regular EGM players.³⁸

In Australia problem gamblers lose on average \$12,000 each per year, compared to just under \$650 for other gamblers. The rough count of people directly affected ignores the 'ripple effects' of problem gambling. For each problem gambler, several others are affected — including family members, friends, employers and colleagues.

³⁸ Productivity Commission (2010) Gambling, Report No. 50, Canberra. p.5.1

RISK FACTORS ASSOCIATED WITH PROBLEM GAMBLING

There is no particular profile that distinguishes a problem gambler specifically. Certain sections of the community have been identified as being more vulnerable and more likely to develop a gambling problem and experience a greater impact as a result. Vulnerable members of the community include those that are:

- Employed in gambling venues;
- Socially isolated or disengaged from the community;
- Aboriginal and/or Torres Strait Islander;
- Culturally and linguistically diverse;
- Living in an area of high unemployment;
- Episodes of aggravated pre-existing mental health conditions; and
- Those experiences cognitive distortions associated with the illusion of control.

In addition to these social and personal dispositional factors, which may predispose individuals to an increased propensity to gamble, other social indicators have also been identified. These are explored in later discussion.

DISADVANTAGE AND IMPACTS OF GAMBLING

The role vulnerability and disadvantage plays on an individual's propensity to gamble has been widely documented.³⁹ Community Indicators used to explain community vulnerability include Socio-Economic Indexes for Areas (SEIFA), Vulnerability Assessment for Mortgage, Petrol and Inflation Risks and Expenditure (VAMPIRE), Community Indicators Victoria (CIV) and other forms of livability indicators. On the other end of the spectrum, the gambling industry utilises a GeoTech Retail Gravity Model to visually explain the anticipated impacts of its proposal as a retail product.

All of these tools might be useful to explain, anticipate and address the implications for managing applications for gaming venues against the backdrop of challenges of population growth, within an interface urban growth area. It is important that both proponents and decision makers are utilising the same data sets to predict, assess and anticipate impacts appropriately.

Research released in June 2014 into gambling related harms has confirmed long-held suspicions that high per capita expenditure means high rates of problem gambling. Finding that disadvantaged communities are likely to be not only losing financial resources at an alarming rate, but they are also bearing a disproportionate burden of gambling-related human misery. In this research, Markham, Doran and Young advocate that targeted strategies aimed at stemming gambling expenditure especially but not exclusively in disadvantaged locations, as the highest priority.⁴⁰

The ABS Socio-Economic Indexes for Areas (SEIFA) and in particular, the Index for Disadvantage is one of the community indicators, used widely to illustrate relative disadvantage of areas. Relative community advantage is illustrated at 1,000, with any score lower than 1,000 representing a degree of disadvantage. The lower the SEIFA score, the higher the degree of disadvantage believed to be experienced in these areas. According to this index, The Western Region and Kurunjang, Melton South, Diggers Rest, Melton, Melton West are all considered areas experiencing some degree of disadvantage.

³⁹ AMA above n 2.

⁴⁰ Markham, F, Doran, B, Young, M (11 June 2014) Our most profitable gambling venues are the most harmful, The Conversation (Accessed 20 June 2014)

TABLE FIVE - INDEX OF RELATIVE SOCIO-ECONOMIC DISADVANTAGE (SEIFA)

City of Melton's small areas and benchmark areas	
Area	2011 index
Australia	1002.0
Victoria	1009.6
Greater Melbourne	1020.3
Western Region	986.1
Interface Councils	1008.3
City of Melton	
Burnside - Burnside Heights	1000.1
Brookfield	1007.6
Caroline Springs	1051.4
Diggers Rest	973.2
Hillside	1053.5
Kurunjang	972.1
Melton	899.5
Melton South	893.8
Melton West	984.7
Taylors Hill	1051.0

Source: <http://www.id.com.au>**SELECTED GOVERNMENT PENSIONS AND ALLOWANCES**

Limited availability and privacy considerations impact the availability of Centrelink data. As such, analysis is limited to three (somewhat dated) data references to Government pensions and allowances (welfare payments) for discussion.

Age Pension—An income support payment for customers that have reached Age Pension age. The customers' Age Pension age depends on their date of birth.

Newstart Payments—An income support payment for people who are looking for work and allows them to participate in activities designed to increase their chances of finding work. Recipients must be aged 21 to 64 to qualify.

Disability Support Pension—The purpose of Disability Support Pension is to provide income support for people who have a permanent physical, intellectual or psychiatric impairment. A person may qualify for Disability Support Pension if, due to their impairment, they are unable to work for at least 15 hours per week at or above the relevant minimum wage, independent of a program of support. Disability Support Pension is income and assets tested, and paid at the same rate as other social security pensions.

A 2011, point in time snapshot of the number of people receiving age pensions, Newstart payments and Disability Pensions is presented at figure 12. Other forms of available welfare payments are not included and these figures.

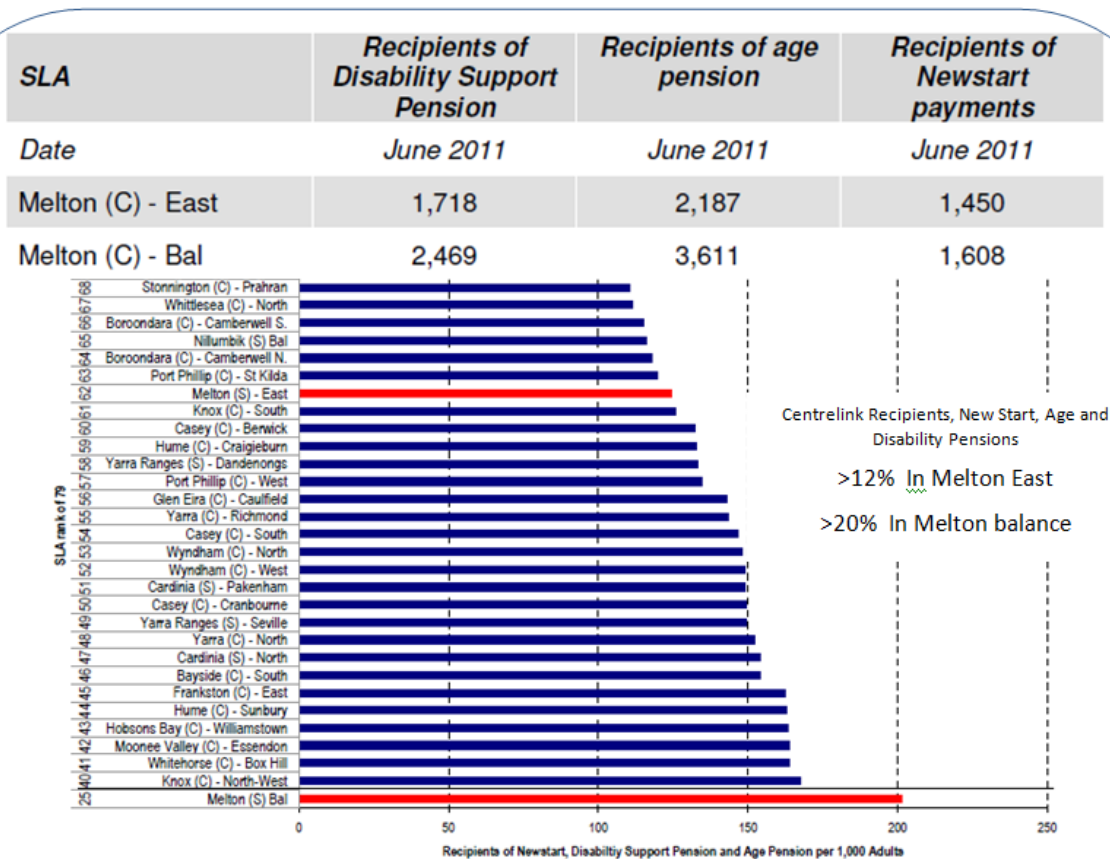


Figure 12: Centrelink Payments by Area

Policy Considerations and Analysis

1. Indicators included in the collection of Social and Economic data sets are currently limited and do not provide a complete picture of gaming related harm in community
2. Loss of opportunity and personal resources need to be included into the social and economic costs associated with harmful gambling.
3. SEIA systems need to allow for the human face, and the experiences of real people and the incremental individual and community harms that gaming addiction can cause.
4. Breaking down the divide between neo-liberalist individual determination and policy interventionism can only be bridged by a whole of community harm minimisation agenda. This requires multifaceted community education, awareness and behavioural change management strategies.

PART 7—WHAT IS RESPONSIBLE GAMBLING?

Ideas around responsible gambling are closely aligned with public health perspectives on harm minimisation. While much of the attention of responsible gambling, places importance on the empowerment of the individual and their own behavioural choices, public health and harm minimization perspectives extend the required involvement of the gaming products, the gambling operators the gaming environment and government as well.⁴¹ As all forms of gambling are illegal unless authorised by the *Gambling Regulation Act 2003* (or the *Casino Control Act 1991*), it's appropriate that many of the gaming product and industry level 'responsible gaming features' are driven by regulatory reform. While most of the offshore and interactive gambling products are not legal, Gainsbury, Parke, and Suhonen in 2013 found that the online gamblers reported greater satisfaction when gambling retailers offered their own responsible gambling features. Reporting better corporate citizenship and greater confidence in the product, with or without awareness of the odds or legality of its operation.⁴² The same study concluded that understanding public attitudes towards gambling was an essential element of appropriate policy implementation and that appropriate public education campaigns about the risks of gambling to prevent gambling-related problems need to start with current community attitudes.⁴³

THE REQUIREMENTS OF GAMING VENUES

The various regulatory requirements placed on gaming venue operators are outlined at Appendix 2 of this report, in summary they include Codes of Practice, Venue Support Workers and a Responsible Service of Gaming regulatory regime. It might be argued that such measure represent the bare minimum of what would be considered a comprehensive responsible gambling system.

Codes of conduct are mandatory and often represent a minimum legislated standard rather than establish a best practice benchmark. There is significant variation in the implementation of responsible gambling practices and Codes of Conduct alone do not represent evidence of commitment to responsible gambling practices at existing or proposed future gaming venues. Any Code of Conduct submitted as part of an application process, should be considered only against the value it is able to provide to the statements made in the SEIA, and not given weight or substance as evidence of its own volition.

While some research has explored the 'duty of care' owed by the gaming industry and government as the providers of a product known to be unsafe (likened to tobacco and alcohol products), the public health, whole community harm minimisation public policy approach appears to sit most comfortably within the Victorian context. This requires a collaborative effort between Council, community and industry and the following part explores the current roles within the responsible gambling space.

Recent discussions with EGM Venue Managers have revealed that too much of the responsibility for implementation of the governments current responsible gambling regime places the onus on the venues themselves to administer at one end, and individual motivation to stop gambling at the other. Calling the Responsible Gambling Authority a toothless tiger, when individuals intentionally breach their own voluntary agreements and report it to the authority (in an attempt to 'dob the venue in', without any personal

⁴¹ Gainsbury, Sally ; Parke, Jonathan ; Suhonen, Niko *Consumer attitudes towards Internet gambling: Perceptions of responsible gambling policies, consumer protection, and regulation of online gambling sites*, Computers in Human Behavior, 2013, Vol.29(1), (pp.235-245)

⁴² Ibid.

⁴³ Ibid

consequence for their own behavior associated with deliberately breaching the voluntary commitment). The express concern that the measures just don't work, or go far enough to addressing a complex community issue, was a sentiment that was echoed loudly across many of the local EGM Venues. The reality of such stark industry positions present yet another dimension for policy consideration.

Policy Considerations and Analysis

1. Concepts associated with harmful and problem gambling are complex social and economic issues. They are best approached through a whole of community harm minimisation lens. This will require a multi layer, cross Council and community Policy and action centered response.
2. The physical location, design and access play a role in problem gambling. The greater the number of venues, the more access to gambling this creates. Consideration will need to be given to whether Council has a policy preference for more machines in existing venues or carefully located new venues.
3. Precinct structure planning, urban design frameworks and required Planning Scheme amendments will need to incorporate amenity based outcome management approach. Incorporation of a clear assessment criteria which directs where new EGM and other gambling retail outlets might be able to be accommodated and where they are to be directed away from will be required.
4. New community indicators and data sources may need to be found to enable a more comprehensive SEIA position to be established. Development of a gambling product saturations index will be an important first step in this process.
5. A background SEIA report should be formulated for each established venue and updated as needed. Consideration should be given to exploring new community data sources and discussion opportunities.
6. The need to put a human face on problem gambling is apparent. Information and resources about gambling related harms, gaming losses and local data should be made widely available and community members encouraged to speak up about their own personal experiences.
7. From an industry perspective gambling is a business and gambling products are like any other retail product. Success of the product is measured in financial terms in revenue and expenditure. In the shadows of these cold hard figures are real community members working within the industry. Those working in the EGM Venue report feeling demonised by association, yet report being equally disappointed to hear of the harms that gambling can cause. Venue operators within Melton welcome the opportunity to partner with Council in the development and delivery of harm reduction programs. This is an opportunity which while should be approached with a degree of maturity, will need to a relationship that is both well scoped and clearly defined.

PART 8 — EGM REGULATORY ARRANGEMENTS

ENTITLEMENTS AND EXPENDITURE

The Victorian Commission for Gambling Regulation systematically collects data concerning electronic gaming machine expenditure by local government area. However, currently local expenditure data relating to wagering, sports betting, lotteries and keno is not collated.⁴⁴ Consequently, the same level of detail is not available for other gambling products.

Figure 13 below contrasts the number of EGMs per adult in the Melton LGA, against neighbouring municipalities.

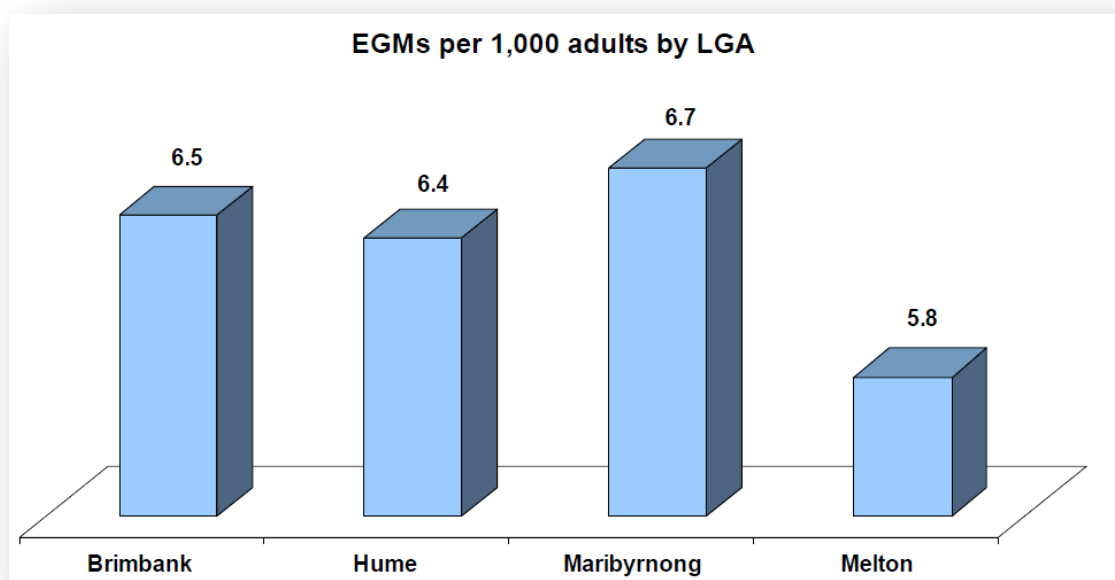


Figure 13. EGMs per adult in North West Region

Source of data used here: Victorian Commission for Gambling & Liquor Regulation, Australian Bureau of Statistics & the RBA

REGIONAL AND MUNICIPAL CAPS

Regional Caps represented the first wave of government regulation placing a limit on the number of EGMs, that were introduced to Victoria in 2001. They were applied to areas identified as having relatively high levels of disadvantage, combined with a high number of machines per adult and high levels of gambling losses. In 2009, the Commission introduced additional caps, called Municipal Limits. These covered nearly all municipal areas of Victoria at a ratio of 10 pokies per 1,000 adults.

Since 2009, the EGM regulatory arrangements have changed and the municipal caps are now referred to as 'entitlements'. As at June 2014, the City of Melton has a municipal limit (Cap) of 659 gaming machine entitlements. Currently 493 entitlements have been issued to venues in the City of Melton that are also subject to a maximum entitlement of 105 EGM's per venue.

As the population of the Melton City Council area continues to grow, it will be reasonable to anticipate a corresponding increase in the number of EGM entitlements the Minister for Gambling determines to make available. With another 166 EGM entitlements available within the municipality, the current cap is no barrier to existing venues within the municipality seeking approval for increased EGM numbers, in fact it leaves the door open for entry of at least one or more new venues entirely.

⁴⁴ VCGLR Commission analysis from data provided by the VCGLR; DOJ 2009b.

The application of 'caps' as a mechanism to regulate the expansion of EGMs is outside the control of Council and subject to spontaneous political review. As a result it is rendered one of the less reliable mechanisms for the controlling the growth in the EGM industry locally. Likewise, with the subtle shift in concept of 'capping' to government now the beneficiaries of the revenue in association with the sale of EGM entitlements, the effectiveness of entitlements as a measure to meaningfully limit proliferation of EGMs is further eroded.

TABLE SIX—CITY OF MELTON, MONTHLY NET EGM EXPENDITURE 2013/14 & 2012/13

NET EGM EXPENDITURE - THE TOTAL AMOUNT LOST BY MONTH

FINANCIAL YEAR	2013/14	2012/13
MONTH	\$	\$
JULY	4,698,014.57	4,856,780.35
AUGUST	5,147,133.80	5,007,952.40
SEPTEMBER	4,662,980.51	4,637,409.09
OCTOBER	4,844,027.06	4,736,363.85
NOVEMBER	4,525,633.78	4,426,599.65
DECEMBER	4,629,839.35	4,619,089.46
JANUARY	4,385,765.86	4,255,378.13
FEBRUARY	3,929,808.04	3,785,917.66
MARCH	4,325,388.63	4,352,804.59
APRIL	4,221,909.33	4,101,282.09
MAY	4,600,278.51	4,449,398.30
JUNE	*4,542,798.13	4,336,880.34
TOTAL	\$54,513,577.00	\$53,565,855.91

*Represents and estimate based on average expenditure over previous 11 month period.

Source of data used here: Victorian Commission for Gambling & Liquor Regulation, Australian Bureau of Statistics & the RBA

NET EGM EXPENDITURE - THE TOTAL AMOUNT LOST BY MONTH

During 2012/13 financial year a total of \$53,565,855 was spent on electronic gaming machines in the City of Melton. This equates to almost \$4.5 million per month, over \$1 million per week or \$146,000 per day. On average residents spend \$662 per annum on EGM's which is slightly higher than the state average of \$602. Interestingly, the municipality has 5.71 EGM's per 1,000 populations which is slightly less than the state average of 6.00 EGM's per 1,000 populations.⁴⁵ These figures appear to remain consistent for the 2013/14 financial year.

⁴⁵ Victorian Commission for Gaming Regulation, accessed 5 January 014, www.vcglr.vic.gov.au

TABLE SEVEN—EGM VENUES IN CITY OF MELTON

VENUE	SUBURB	VENUE TYPE	NO. EGM'S	EXPENDITURE 2013/14	EXPENDITURE 2012/13
GOLDEN FLEECE HOTEL	MELTON	HOTEL	45	\$8,185,283	\$8,084,726
MAC'S HOTEL	MELTON	HOTEL	82	\$10,512,081	\$10,925,750
MELTON COUNTRY CLUB	MELTON	CLUB	90	\$5,752,073	\$5,673,588
SUGAR GUM HOTEL	HILLSIDE	HOTEL	50	\$7,404,176	\$7,359,216
TABCORP PARK	MELTON	CLUB	80	\$6,559,537	\$6,583,704
THE CLUB	CAROLINE SPRINGS	CLUB	66	\$5,333,424	\$5,506,746
WEST WATERS HOTEL	CAROLINE SPRINGS	HOTEL	80	\$10,464,477	\$9,432,126
TOTAL			493	\$54,211,051	\$53,565,856

SOURCE: VCGLR MONTHLY EGM STATISTICS

GAMING EXPENDITURE (LOSSES) OVER FIVE YEAR PERIOD

TABLE EIGHT -- GAMING EXPENDITURE 2008-2013

YEAR	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
EXPENDITURE	\$42,544,101	\$44,658,490	\$49,346,853	\$56,522,260	\$53,565,855	\$54,211,051
TOTAL EGM'S	407	407	487	487	487	493
EXPENDITURE PER EGM CITY OF MELTON	\$104,530	\$109,726	\$101,328	\$116,062	\$109,991	\$109,739
AVERAGE EXPENDITURE PER EGM VICTORIA	\$101,123	\$97,338	\$99,012	\$100,327	\$91,205	TBC

In relation to EGM venues, the City of Melton is part of the North West Melbourne catchment. The VCGLR advises that in 2012-2013, the North West Melbourne catchment had 2641 EGMs in 46 gaming venues. It had a total net EGM expenditure (losses) of \$342,752,363.25 and \$780.84 per adult. There were 6.02 EGMs per 1000 adults and 9542 adults per gaming venue.⁴⁶

As the population continues to grow, it can reasonably be expected that so too will the interest from the gaming industry to establish new venues and increase the number of machines at established venues. Council Policy will need to be able to accommodate and address anticipated impacts that come with growth expectations.

⁴⁶ VCGLR, Gambling Information Resource Office Information sheet, Electronic gaming machine data, 2012-2013, Catchment areas for Gambler's Help services, Metropolitan region – North West Melbourne catchment, accessed on 11 June 2014, http://www.responsiblegambling.vic.gov.au/_data/assets/pdf_file/0005/6656/EGM-xpenditure-per-catchment-North-West-Melbourne-info-sheet.pdf

DISTRIBUTION OF EGM REVENUE—THE COMMUNITY SUPPORT FUND (CSF)

The CSF was established in 1991 by the state government to direct a portion of revenue from gaming machines back to the community. Taxes from EGMs situated in hotels (but not clubs) contribute annually to the fund which provides grants to initiatives across Victoria that include:

- programs to tackle problem gambling are the first call on the fund, including payment of amounts into the Responsible Gambling Fund;
- drug education, treatment and rehabilitation;
- financial counseling and support for families in crisis;
- youth programs;
- sport and recreation;
- arts and tourism; and
- advancement of the community as determined by the Minister.

Since its establishment, the CSF has evolved to become a significant funding source for the delivery of community services and programs across the State. As a result of its State level and wide administration, the CSF is often criticised for its' inability to return locally expended funds back to the community from which they are derived.

Previous Melton City Council and other Council Responsible Gaming Policies have focused on leveraging CSF dollars back to the communities from which the fund have been derived. As such, efforts and intentions have proved futile in the past, this is another important consideration for current policy reform.

The curious dichotomy of State Government acting as chief regulator, while simultaneously being a principal benefactor of gambling proceeds is regular source of fodder by the rigors of academia, Parliamentary Committees and Productivity Commissions alike. This policy dilemma is treated no differently here and within the Melton City context.

Policy Considerations and Analysis

1. Understanding public attitudes towards gambling is an essential element of appropriate policy implementation and that appropriate public education campaigns about the risks of gambling to prevent gambling-related problems need to start with community perceptions themselves.
2. As the population continues to grow, it can reasonably be expected that so too will the interest from the gaming industry to establish new venues and increase the number of machines at established venues. Council Policy will need to be able to accommodate and address anticipated impacts that come with growth expectations.
3. Seeking out innovative and locally relevant data collection methodologies will be a key challenge over the next four years for Melton City Council. Working alongside other interface Council's to evolve harm minimisation practices and planning scheme tools will be a key focus over the next 18 months.
4. Continuing to build a solid research base will assist in Councils' ability to continually evolve its thinking and practice in the gambling harm reduction space, while simultaneously building upon accountability and transparency of decision making processes.

CHANGES SINCE 2004 AND THE COUNCILS PREVIOUS POLICY

The financial arrangements in relation to the proceeds from EGMs have shifted significantly in the past five years with the cessation of the Tatts/Tabcorp duopoly. Revenue is now divided between the State government and venue directly and is based on average losses per EGM losses at each venue.

Historically, the State government's share of EGM revenue was between 36 and 38 per cent. This dropped to 34 per cent in 2012/13. Subsequently, in 2014 the State government changed the taxation rates to increase their share in line with the historical average. The State government adjusted the top two tax rates as follows:

1. The top two tax brackets for hotel and club venue operators will be increased by 4.2 percentage points to restore the Government's share of EGM revenue to the historical average; and
2. The minimum 'Return to Player' (RTP) ratio reduced from 87 per cent to 85 per cent, providing greater options for venues in managing their operations and bringing Victoria into line with the ratio applied in New South Wales and Queensland. In practice, this measure is anticipated to have little impact as venues reportedly do not set their Return to Player (RTP) ratio at the minimum due to player betting preferences.

These changes do not affect the bottom tax bracket, thereby maintaining the club tax free threshold and hotel 8.33 percentage rate. The changes came into effect from 1 April 2014. Tables nine A and B below shows the taxation rates for machines and venue types.

The increases to tax revenue raised by EGMs illustrates the significance of this revenue base to the Victorian government. Whilst hotels generate higher rates of revenue per EGM (i.e. higher losses per machine), they also pay higher rates of taxation directly to the State government.

TABLE NINE PART A: CLUBS—STATE GOVERNMENT REVENUE AND LEGISLATED RATE OF RETURN

Current EGM tax rates	New EGM tax rates as of April 2014
<p>Tax is a function of monthly average-per-EGM player loss.</p> <p>For that part of the monthly average player loss which:</p> <ul style="list-style-type: none"> • Does not exceed \$2,666, the tax rate is 0.00%. • Exceeds \$2,666 but does not exceed \$12,500, the tax rate is 42.5%. • Exceeds \$12,500, the tax rate is 50.00%. 	<p>Tax is a function of monthly average-per-EGM player loss.</p> <p>For that part of the monthly average player loss which:</p> <ul style="list-style-type: none"> • Does not exceed \$2,666, the tax rate is 0.00%. • Exceeds \$2,666 but does not exceed \$12,500, the tax rate is 46.7%. • Exceeds \$12,500, the tax rate is 54.20%.

TABLE NINE PART B: HOTELS—STATE GOVERNMENT REVENUE AND LEGISLATED RATE OF RETURN

Current EGM tax rates	New EGM tax rates as of April 2014
<p>Tax is a function of monthly average-per-EGM player loss.</p> <p>For that part of the monthly average player loss which:</p> <ul style="list-style-type: none"> Does not exceed \$2,666, the tax rate is 8.33%. Exceeds \$2,666 but does not exceed \$12,500, the tax rate is 50.83%. Exceeds \$12,500, the tax rate is 58.33%. 	<p>Tax is a function of monthly average-per-EGM player loss.</p> <p>For that part of the monthly average player loss which:</p> <ul style="list-style-type: none"> Does not exceed \$2,666, the tax rate is 8.33%. Exceeds \$2,666 but does not exceed \$12,500, the tax rate is 55.03%. Exceeds \$12 500, the tax rate is 62.53%.

EGM REVENUE ALLOCATION

The way in which the tax is applied to the average revenue for each EGM may provide a perverse incentive for venues to increase the number of EGMs they operate. This is because the same losses spread over a larger number of EGMs will result in a lower taxation bill. In relation to clubs in particular, each machine can make \$2666 per month on a tax free threshold. However, it should be noted that any taxation bill may be offset by licensing fees and purchasing or hire cost for each machine and other running and associated operating costs.

HOTELS—COMMUNITY SUPPORT FUND

Hotels pay higher rates of tax with the difference being contributed to the State Government **Community Support Fund** (CSF). The higher tax rates are effectively a reconfiguration of the additional 8.33 per cent tax that hotels used to pay to the CSF. While some of the CSF money eventually flows back to the community, there is no direct correlation between the funds provided to the CSF and the return of funds to the local community from which they were derived.

CLUBS—DEMONSTRATING COMMUNITY BENEFIT

Clubs are exempt from the compulsory Community Support Fund contribution. Instead they are required to submit to the VCGLR an annual **Community Benefit Statement** to demonstrate the community purposes to which the revenue earned from EGMs is applied. The Clubs are expected to show that this contribution meets or exceeds the minimum 8.33 per cent.

The definition of '*community benefit*' applied by the State Government is exceedingly broad and includes such things as staff employment costs, subsidised meals, beverages and venue hire, and facility (fixed asset) upgrades.

A review of community benefit statements submitted by Clubs in 2012/13 for the municipality shows that a majority of funds continues to be spent on "operating costs" which return little benefit to the broader community. However, there is significant variation in the manner of allocation of community benefit between Clubs, which the Council may consider acknowledging in some way.

Clubs declare that they do currently make a significant contribution to the community through the provision of formal and informal support services, social activities, and sporting activities. This contribution is reflected in the attributed value of the volunteer hours provided by these organisations. While this contribution is substantial, it is an imputed expenditure and does not constitute a direct return of gaming revenue to the community.

THE EVOLUTION OF COMMUNITY BENEFIT GRANTS

Only three of the seven gaming venues in the municipality are Clubs. Two of the three venues, namely Tabcorp Park (Victorian Harness Racing) and The Club contribute the Community Benefit Grants Program. West Waters reportedly run their own grants fund. These Club based community grants funding streams are currently run alongside Councils Community Grants Program.

Should the existing contributing Clubs see merit in contributing to a single grants pool and the remaining Club see value in contributing as well, the capacity to provide a significant financial contribution to the community on an annual basis would be substantially increased. For example, an annual contribution based upon \$1,000 per EGM would provide the capacity for a funding pool nearing \$400,000 pa.

TABLE TEN POTENTIAL MELTON EGM GRANTS FUNDING POOL

Venue	Suburb	Venue Type	Grants Contributions
Golden Fleece Hotel	Melton	Hotel	na
Mac's Hotel	Melton	Hotel	na
Melton Country Club	Melton	Club	na
Sugar Gum Hotel	Hillside	Hotel	na
Tabcorp Park	Melton	Club	\$50,000
The Club	Caroline Springs	Club	\$93,000
West Waters Hotel	Caroline Springs	Hotel	Administers own grants program

Source: Victorian Commission for Gaming Regulation



Policy Considerations and Analysis

1. In relation to the various levels of interrogation associated with the distribution of revenue derived from gambling products, Melton City Council will need to define its position in relation to:

Site, premises or land owner/manager—in situations where gaming venues are already established or proposed to be situated, are owned, managed or vested in the authority of the Council

Administrator of Community Benefit Grant & Trust Agreements—The Council's Grant Administrators may support the administration on behalf of Contributing Gaming Venues.

Key Stakeholder—during times of government review or alternative mechanisms involving community consultation and community advocacy; and in particular, how these position align with the **Harm Minimisation Leadership Agenda.**

2. Many and varied attempts to challenge and redefine what the Commission assesses as 'community benefit' have largely fallen on deaf ears. Continued repeats of previously failed attempts to challenge the status quo is proving futile. Locally innovative data collection and project pilots with industry may be the way forward for Melton City.
3. As community benefit statements are permitted to incorporate a wide range of 'operating costs' as 'community benefit' which in reality return little benefit to the broader community, working with the venues directly may represent the best course of action.

EGM LEGISLATIVE REVISIONS EXPLAINED

The operation of EGMs in Victoria is governed by the provisions of the Gaming Regulation Act 2003 (*The Act*). In October 2006, the Victorian Government introduced a number of changes to '*The Act*', designed to increase local government planning powers in respect to the placement of EGM machines and to provide improved levels of consumer protection. These changes removed the "as of right" provisions in respect to gaming floor areas. Planning permits are now required for all applications to increase the number of machines in existing premises or to introduce machines to new gaming premises. Previously, planning permits were not required where the floor space used for Gaming purposes represented less than 25 per cent of the building floor space. The changes also introduced consumer protection initiatives such as restrictions on access to automated teller machines (ATMs) and a decrease in the size of the maximum gaming machine bet.

The Victorian Government has sought to increase local government involvement in the hearing of applications before the relevant Commission in the form of submitting Social and Economic Impact Statement. However this process has often produced disappointment to local governments and it is important to remember that local government powers in respect to control over the operation of gaming machines within the municipality are limited by the parameters imposed by State Government legislation. Providing land use requirements are satisfied, local government's powers are largely restricted to acting as an advocate for its community before the VCGLR. Policy positions that lie outside the regulatory framework are largely ignored. For obvious reasons, this is significant consideration in the formulation of new social policy.

VCGLR and VCAT decisions based on well founded data and analysis, perceptions of gambling and strong community level representation appear to leverage the most beneficial outcomes for community.

TECHNICAL ASPECTS OF VICTORIAN GAMING INDUSTRY REFORM

Since 2008, there have been a number of further changes to the EGM gambling environment in Victoria including:

- The creation of a new regulatory body that combined the former Victorian Commission for Gambling Regulation, and Liquor Licensing Victoria. The new Commission, which is the Victorian Commission for Gambling and Liquor Regulation (VCGLR) commenced operation on 6 February 2012;
- New gaming licensing arrangements from August 2012, which enable venue operators to purchase 10-year EGM entitlements that authorise them to own and operate EGMs at approved gaming venues;
- The removal of ATMs from EGM venues from 1 July 2012, with an exemption allowed for venues in rural locations, where there are limited cash facilities;
- Stricter timelines from 1 January 2011 for responding to gaming licence applications at the VCGLR. Previously Councils had 60 days, or a period approved by the VCGR, to respond to gaming licence applications. Currently a Council must notify the VCGLR if it is putting in a submission 37 days after receiving notification of the application, with the submission due on day 60. Extensions of time will now only be granted for exceptional circumstances such as natural disaster. The stricter timelines place considerable constraints on Councils to respond effectively to gaming licence applications, particularly in regard to Council meeting cycles, undertaking community consultation and analysis of relevant data;
- In August 2012, the establishment of a single, independent monitoring licensee, Intralot Gaming Services Pty Ltd, to provide an electronic monitoring system that all EGMs in Victoria must be connected to; and
- A commitment by the Victorian Government to implement voluntary pre-commitment on all EGMs by 2016.

GAMING REFORM AT THE FEDERAL LEVEL

There have been notable changes at the federal level since the adoption of Council's Responsible Gaming Policy 2008-2012. On 29 November 2012, the previous Australian Government put in place national reforms to reduce the potential harms from EGM gambling through the *National Gambling Reform Acts*. Prior to this, the Federal Government had not been involved in the regulation of EGMs, which had been the responsibility of the State Governments. These reforms require:

- All EGMs to be part of a state-level voluntary pre-commitment system and display electronic warnings by the end of 2018;
- All new EGMs that are manufactured or imported from the end of 2014 must have pre-commitment capability; and
- A \$250 per day ATM withdrawal limit from EGM premises as at 1 February 2014.

The current Australian Government now intends to amend these reforms in several ways, including winding back the requirement of EGMs to have pre-commitment capability, and support for voluntary rather than mandatory pre-commitment schemes. At time of writing, changes to the *National Gambling Reform Acts* have

not been implemented by the Australian Government and they remain part of the national legislative framework.

Given the potential unwinding of a number of reforms, it is likely that legislative responsibility for EGM gambling and further measures to reduce harm from gambling will remain firmly within the realm of State governments. Which in turn, means an increased need for familiarity and position clarity for local government.

Policy Considerations and Analysis

6. The definition and the manner in which 'Community Benefit' is assessed skewed positively towards the gambling industry in all levels of decision making by the VCGLR. This is evidenced by the finding 'net economic and social benefit' is a most gaming licence determinations by the Commission and even more so on appeal at VCAT.
7. The GeoTech Retail Gravity model is accepted by the Commission as a proponents assessment of the retail impact of the proposal. The bright lights, fanfare and pedestal the proposal is placed on under this model, leaves traditional notions of SEIA discussion flailing in the shadows. Any documentation prepared by Council aimed at challenging claimed 'community benefit' needs to be equally compelling. Finding ways to demystify the mystique of the retail gravity model, while boosting the allure of locally anticipated detrimental impact is needed in order to ensure improvement in gaming licence determinations.
8. Community perceptions of gaming, local stories and experiences need to be captured and incorporated in Melton City Councils SEIA suite of tools.
9. Baseline SEIA reports should be compiled for all 7 existing EGM venues and established gambling outlets, to enable more effective repose to future licence and permit applications.
10. The development of Melton's own Gambling Saturation Index will be on way of collating and benchmarking local gambling product data and impacts

PART 9—WHAT COUNCIL MIGHT DO TO INFLUENCE RESPONSIBLE GAMBLING AND HARM MINIMISATION

WHAT COUNCIL POLICY MIGHT INCLUDE

Against its various legislative backdrops, there are a range of Policy positions and actions local government can champion in order to mitigate the impacts of harmful gambling in the community. These include, but are not limited to **i) Monitoring and Research, ii) Policy, Planning and Leadership, iii) Responding to Licensing Applications, iv) Partnerships and Collaborations, v) Advocacy and Advice, vi) Community Education and vii) Support Services.** Being clear about the geographic areas where EGM venues will be less tolerated, seems to be the clear stating point. Current practice indicates a preference for Social and Economic Impact (SEIA) data being used as a basis for decision making. The development of an accessible SEIA Guidance notes, and clear policy will support applicants in providing required information and support Councils determinations in all matters related to gambling (and other matters requiring an SEIA).

Collecting stories and surveying perceptions of gambling will support Councils understanding and inform future direction and action.

Councils role in taking action on gambling have been essentially limited by the legislation which frames the role of local government. In relation to its ability to influence outcomes in the gaming arena, readily identifiable roles include, Council as a:

Statutory Planning Authority under the *Planning Environment Act 1987*, Council is responsible for determining all applications for planning permit against the relevant provisions of the Melton Planning Scheme
Referral Authority under the *Gambling Regulation Act 2003*, and
Community Advocate and Partnership Broker under the *Local Government Act 1989* and *Public Health and Wellbeing Act 2008*.

COUNCIL COMMITMENTS TO RESPONSIBLE GAMBLING

The previous policy, the Melton Shire Council Responsible Gaming Policy 2008–2012, was due to be reviewed for a number of reasons. The Policy expired in 2012, the change from the Shire to a City Council, as well as the significant statutory reforms within the electronic gaming industry. The new policy, while focusing on the role of EGMs within the community, will open the door to considering other forms of gambling and their impact on community as well.

Both the Council Plan and Municipal Public Health and Wellbeing Plan place significant importance on the need for local policy and action in relation to reducing gambling related harms within our local community.

COUNCIL PLAN 2013-2017

The Council Plan 2013-2017 establishes the Councils Strategic direction for the four year Council term. The Plan dedicates theme four of the plan to Community Health and Wellbeing and includes the commitment to taking action to prevent and reduce the harms associated with gambling.

THEME FOUR – COMMUNITY HEALTH AND WELLBEING

Council is committed to a partnership approach to develop solutions and opportunities for healthy communities. We will focus on enhancing the community's mental and physical health and wellbeing, and promote social inclusion through engagement across all community sectors. We will improve quality of life through education, support positive behaviour change in healthy lifestyles and encourage our community to be physically active.

OUTCOME 4 - A CITY OF PEOPLE LEADING HEALTHY AND HAPPY LIVES

In supporting our residents to lead healthy and happy lives, Council has committed to minimising the social harms caused by gambling through the delivery of several strategic actions that commit to:

- Researching current and future trends in social harms related to gambling, tobacco, alcohol and other drugs to inform the development of policy, plans, local laws and services.
- Undertaking Social Impact Assessments on venue-based gaming applications to minimise impact on high risk areas.
- Collaborating with service agencies, venues and local community groups to explore proactive approaches in preventing and reducing the harms associated with gambling.
- Working with the industry, venues to support awareness and lawful compliance concerning the use of gaming.

TABLE ELEVEN—OTHER DIRECTLY RELEVANT STRATEGIC INTENTIONS IN THE COUNCIL PLAN 2013-2017 INCLUDE:

Objectives

- 2.5 Advocate for the best interests of our community
- 2.6 Ensure timely compliance with statutory and regulatory obligations
- 3.3 Culturally rich, active and connected City
- 3.1 Provide an accessible range of services
- 3.2 Build Resilient people and communities

Strategies

- 3.6.4 Increase Police and PSA presence
- 4.3.6 Prevention Programs

MUNICIPAL PUBLIC HEALTH AND WELLBEING PLAN (MPHWP) 2013-2017

Through our MPHWP Council has again committed to affirmative action to minimise the social and health impacts associated with gaming. This will be achieved through the delivery of the supporting strategies that aim to:

- Strengthen partnerships with support service providers to better understand the impacts of gaming on community members, particularly those who are vulnerable.
- Support delivery of a diverse range of entertainment options in the City to promote alternatives to gambling as a social activity.
- Raise awareness about the negative impacts of gaming in the community with a particular focus on the 'moderate risk' portion of gamblers, experiencing negative effects of gambling.
- Strengthen partnerships with gambling counseling and support service providers to increase community access and awareness.
- Minimise impact of gaming in high risk areas by undertaking research to inform strategic planning for gaming licence applications.
- Research current and future trends in social harms related to gambling to inform the development of policy, plans, local laws and services.
- Work in partnership with venues and industry to minimise the harms associated with gaming.

MELTON SHIRE COUNCIL RESPONSIBLE GAMING POLICY 2008-2012

The previous Policy was set out in the following way:

Policy Principles

- Enhancing Leisure and Recreational Opportunities
- Building Positive Community and Industry Relations
- Supporting Responsible Gaming Operations
- Council's Decision-making on Gaming

Policy Commitments

The Shire of Melton is committed to:

1. Supporting education and awareness strategies about the potential negative effects of gaming and the support and resources available to help those who may be adversely impacted by gaming.
2. Working with gaming venues and licensees to continually improve strategies which focus on promoting responsible gaming and supporting and protecting users of EGMs who may be vulnerable to problem gambling.
3. Ensuring Council planning frameworks and decision making processes are transparent, fair, and reflect the overall commitment to a balanced and responsible approach to gaming.
4. Regularly conducting research to monitor, evaluate and report on community attitudes towards gambling, gambling behaviour and expectations of Council policies and broader government legislation.
5. Advocating on behalf of the community in inquiries, proposed legislative changes etc in order to effect a reduction in the number of gaming machines per capita in line with community standards.
6. Supporting community based agencies wishing to improve, increase or expand services to help community members impacted negatively by gaming.
7. Supporting the balanced development of leisure / entertainment services including those which are 'gaming free'.
8. Working collaboratively with other local governments and the Local Government Working Group on Gambling (LGWGOG) to ensure we continue to actively promote responsible gaming and minimise the negative impacts of gaming on vulnerable members of our community.
9. Establishing an Action Plan on Gaming and a stakeholders group to monitor and report on progress against the Action Plan.

Objectives

1. Provide transparent and co-ordinated decision making processes with regard to electronic gaming and gaming venues
2. To support strategies and initiatives which maximise the community benefits and diminish the negative social and economic impacts of electronic gaming on our community;
3. Achieve an equitable distribution of the financial gains from gaming across the Shire of Melton;
4. Ensure Council remains responsive to community needs and attitudes in relation to electronic gaming; and,
5. Advocate on behalf of the community on issues relating to gaming.

The policy also included Actions to implement objectives and then reproduced relevant section of Legislation and the Melton Planning Scheme. Most of these Policy commitments remain relevant and have been reframed for inclusion within the new Responsible Gambling Policy.

EXPLORING COUNCILS CURRENT ROLES

As comprehensively explored above, traversing the policy implications in the gambling arena are both as complicated as they are varied. Figure 12 crudely attempts to pin down the various policy considerations and roles that Council has in the gambling policy sphere. The inner circle illustrates the core role for community in embedding the responsible gambling and harm minimisation agenda while the outer circle highlights Councils role in living, breathing and modeling pro-social leadership in the area. Further explanation is provided under each identified role heading.

MONITORING AND RESEARCH

Monitoring data and maintaining research libraries, ensures organisational awareness and readiness. This role is vital to developing a strong evidence base (For example baseline SEIAs for each venue). This will help to form an understanding of gambling related impacts upon our community and community attitude towards gambling. A sound evidence base will:

- Inform Council's position with regard to gambling in the municipality;
- Support localised strategic planning and land use decision making;
- Appropriately respond to gambling applications requesting to establish a gaming venue; or increase the number of gaming machines operating in a venue;
- Prepare (update) Social and Economic Impact Assessments for considered responses to the VCGLR and VCAT hearings;
- Advocate for the health and wellbeing of our residents; and
- Provide information in compliance with marketing and promotion standards or conduct.



FIGURE 14. ELEMENTS OF RESPONSIBLE GAMBLING POLICY CONSIDERATIONS IN THE CITY OF MELTON

The monitoring and research role could be delivered by:

- Collecting a wide range of demographic and health data from a variety of sources at the local, regional and state level;
- Regular analysis and monitoring of gaming expenditure data to forecast trends and identify emerging issues;
- Systematically gathering relevant local data in the gambling research field which is applicable to the City of Melton context;
- Participate in relevant forums and working groups such as the Local Government Working Group on Gambling (LOGWGOG) for networking and information sharing;
- Regular surveying of community, service providers and partner organizations;
- Community survey of a representative sample of the population across the municipality and
- Observational data collection, site visits and information provided by direct service agencies.

Information indicating any form or criminal activity of illegal gambling activity would be referred directly to Victoria Police.

POLICY AND PLANNING

Local government may affect some influence on the location of EGMs, through the development of and implementation of social planning policies. Some Statutory Authorities (Councils) elect to mirror their stated gambling policy through land use planning tools, via planning scheme amendments. The body of research establishes a clear link between the accessibility of EGMs and gambling related harm, the placement of EGMs is of particular interest to Council, particularly in relation to vulnerable areas within our community.

A local planning policy may indicate where gambling activity is preferred to take place, thereby potentially reducing the likelihood of gambling harm. For example, Council may indicate locations where EGM's are deemed inappropriate and may include geographical areas which:

- Are of high socio-economic disadvantage,
- Provide convenience gambling such as strip shopping centres
- Already have a high density of gaming machines; or
- Do not have alternate non-gambling entertainment and recreation activities.

Council may express an intention to prohibit, or at least limit gambling in Council owned assets. Local Policy may also indicate appropriate operating hours of gambling venues within the municipality, compatible and incompatible land uses, and broader amenity and safety considerations.

To strengthen Council's ability to minimise the impacts associated with problem gambling, Council may incorporate its position into the Municipal Strategic Statement, Council Plan and Municipal Public Health Plan. VCAT decisions indicate a preference for specific and targeted policy intervention and identify a trend against the generalised position of resistance directed toward the gaming industry. This indicates a preference for an

emphasis on any harm minimisation approaches being limited to the health and wellbeing impacts of gambling on the community most affected.⁴⁷

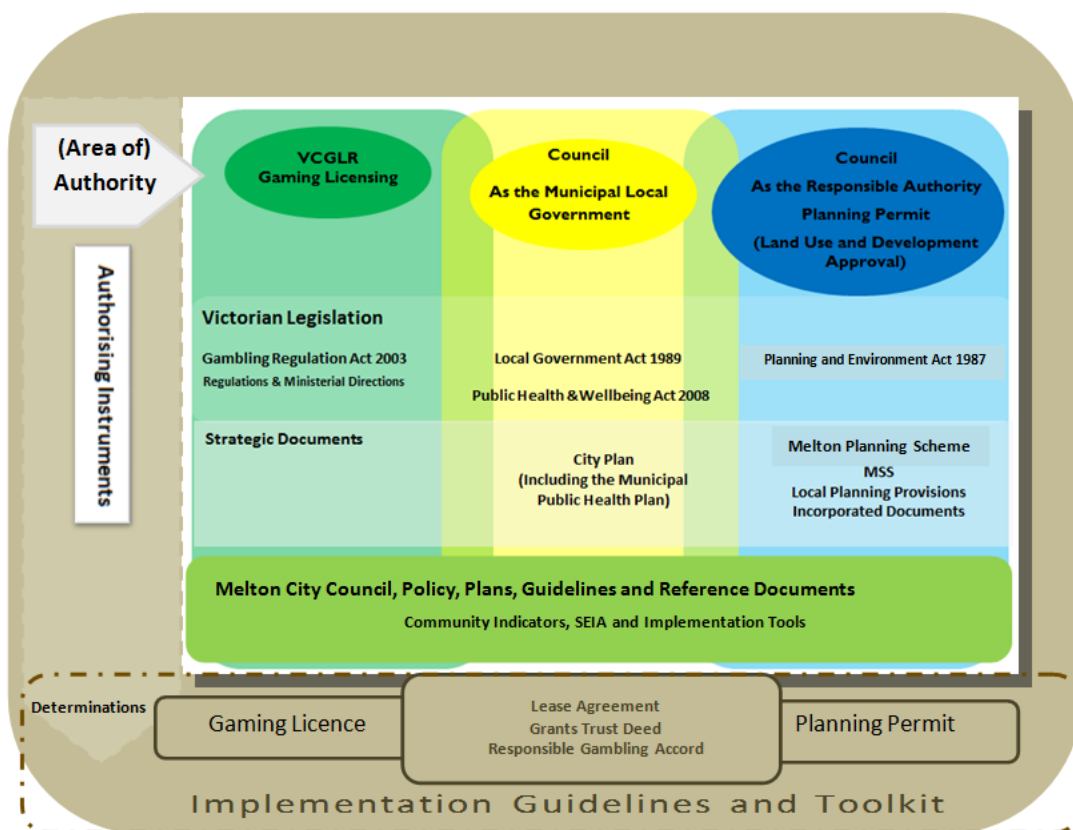
A focus on requiring quantifiable Social and Economic impact information will enable clear and open and frank discussions at the pre-application stage, as well as transparent planning determinations. The role of the SEIA should be clear to all involved, that the process of delivering and SEIA is not about the process itself, but the agreements to action in relation to addressing potential gaming related harms arising from the gambling products and EGM proposals.

UNDERSTANDING THE EGM APPLICATION PROCESS

There are two separate application processes involved in an approval to operate an EGM Venue. These, together with Councils more general roles as a municipal local government, at times cause a great deal of confusion for the parties involved and community alike.

A party seeking to operate a gaming venue will need to seek approval in the form of an application for Gaming Licence to the VCGLR under the *Gambling Regulation Act 2003*. An application will also be made to the relevant council for a Planning Permit (under clause 52.28 Melton Planning Scheme). These applications can be made at the same time or after each other, as the timing of the application is left to the proponent. When the Licence application is received, by the Commission, it will be referred to the relevant Council for comment and submission. Whether or not the gaming licence is approved, has no bearing on the outcome of the planning permit decision and vice-versa. Flow chart 1 below provides an overview of the numerous processes and levels of authority in determining applications associated with gaming venues.

Flow Chart 1. EGM Application processes by areas of authority.



⁴⁷ Shepherdson, Above n2

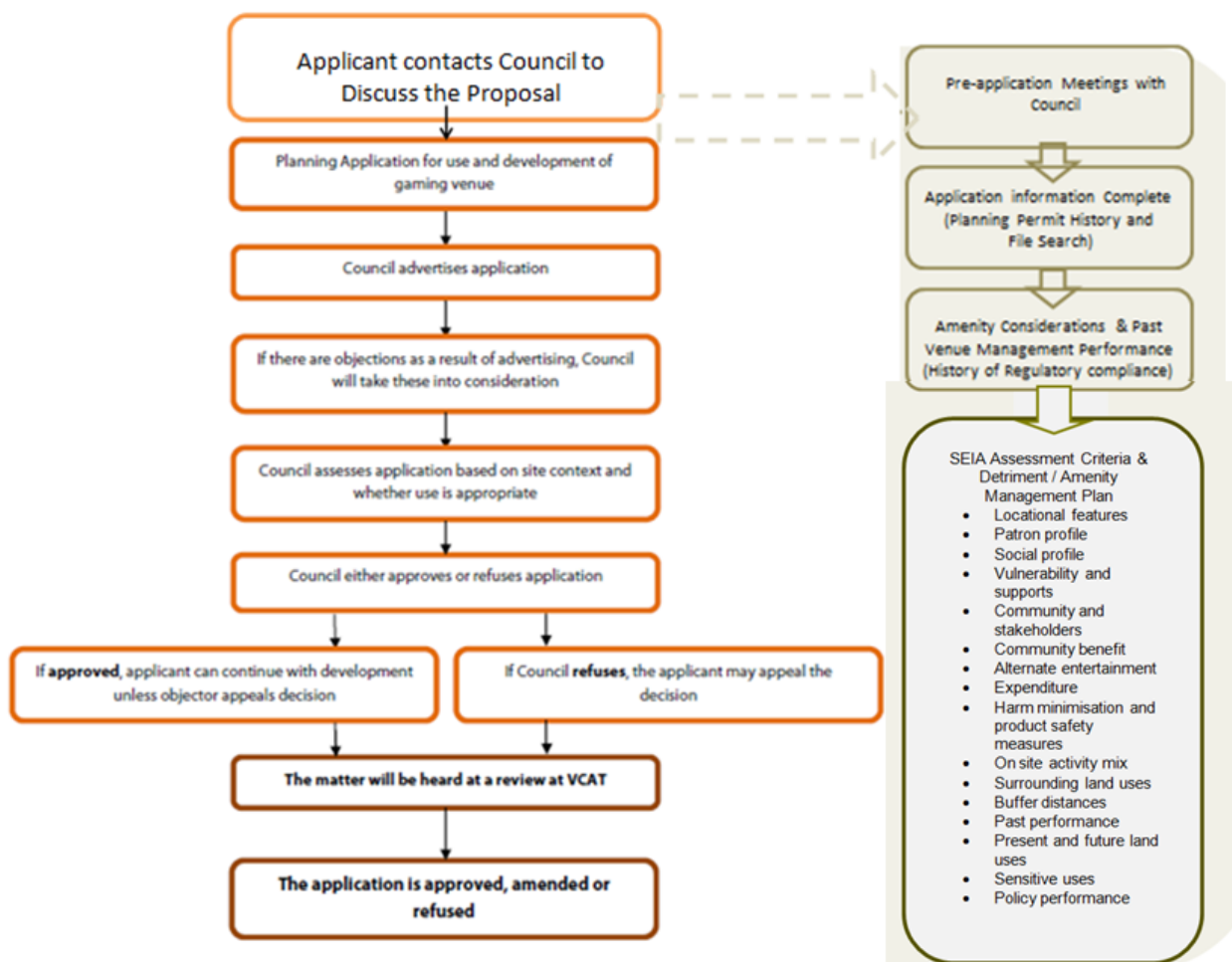
PLANNING PERMIT PROCESS

The application for planning permit process is set out in the Planning and Environment Act 1987 and the Melton Planning Scheme. The relevant State Planning Policies, Clause 52.28 Electronic Gaming Machines and the Local Planning Policy (to be developed), establish the decision making criteria for gaming venues. The *Planning and Environment Act 1987* provides for social and economic impacts to be considered. Universal planning considerations include onsite and offsite amenity considerations. Local Planning Policy Provisions increasingly reference 'appropriate venue placement in terms of areas, proximity to compatible and incompatible land uses, accessibility and frequency to pedestrian access paths'⁴⁸.

A summary of Planning Scheme amendments which have achieved integration of a local planning policy on gaming is available from the Social Planning and Wellbeing team.

Flow chart 2 outlines the current process associated with an application for planning permit.

Flow Chart 2. EGM Application for Planning Permit Process



⁴⁸ See for Example *Moonee Valley Planning Scheme Amendment C140*. Accessed on 12 September 2014, [http://dsewebapps.dse.vic.gov.au/Shared/ats.nsf/WebViewUniqueID/CF76EF9116C27A0BCA257CAF000CC8DD?OpenDocument&M&Moonee+Valley&Macedon Ranges,Manningham,Mansfield,Maribyrnong,Maroondah,Melbourne,Melton,Mildura,Mitchell,Moira,Monash,Moonee Valley,Moorabool,Moreland,Mornington Peninsula,Mount Alexander,Moyne,Murrindindi](http://dsewebapps.dse.vic.gov.au/Shared/ats.nsf/WebViewUniqueID/CF76EF9116C27A0BCA257CAF000CC8DD?OpenDocument&M&Moonee+Valley&Macedon+Ranges,Manningham,Mansfield,Maribyrnong,Maroondah,Melbourne,Melton,Mildura,Mitchell,Moira,Monash,Moonee+Valley,Moorabool,Moreland,Mornington+Peninsula,Mount+Alexander,Moyne,Murrindindi)

RESPONDING TO GAMING LICENSE APPLICATIONS

Gaming operators must apply to the VCGLR when seeking to alter the conditions approved on a relevant gaming licence. All applications for new gaming venues or to vary a license are referred to the Council in its capacity as the Responsible Authority (or Referral Authority is referred from a neighbouring municipality).

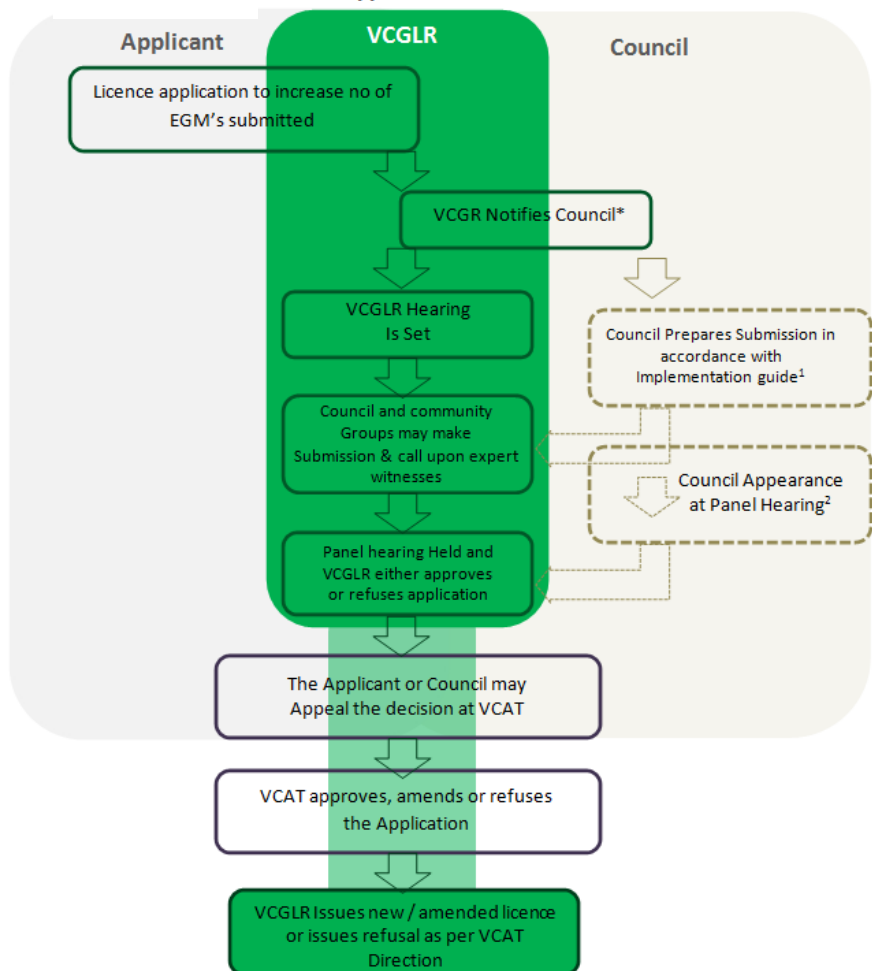
Under the *Gambling Regulation Act 2003*, local governments as the 'Responsible Authority' for their municipality may make a submission to the Victorian Commission for Gambling and Liquor Regulation (VCGLR) in response to the application.

The submission will include a Social and Economic Impact Report (Appendix 4) which incorporates a robust evidence base in support of the Councils' position. The VCGLR will refer to Council's assessment and submission when deliberating on whether to grant a gambling licence application. Referred to as the Social and Economic Impact Statement proforma, it has come under scrutiny from LGWGOG, MAV and responsible gambling champions including Charles Livingston for requiring information from unattainable data sources.

As all the information sections of the statement proforma must be completed, the unavailability of some of the data sources makes it increasingly difficult to provide a well balanced and transparent picture of the Councils position. The form does allow additional information to be submitted with the completed proforma. This is where the additional indicator sources of vulnerability and wellbeing discussed previously, may prove useful.

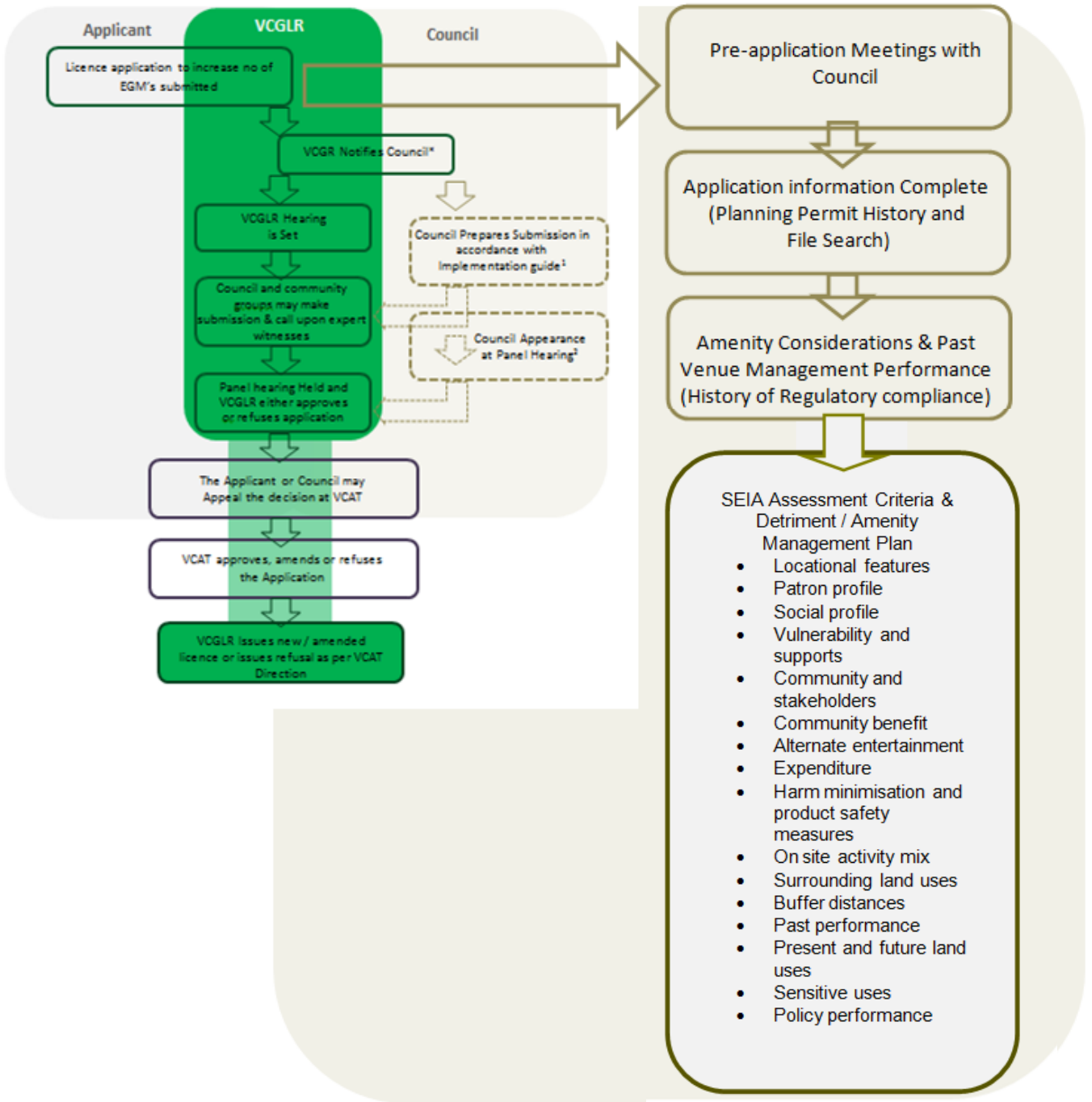
Flow Chart 3 opposite provides further indication of Councils involvement in the VCGLR licence application determination process.

Flow Chart 3 - Licence Applications Referred from the VCGLR



Flow chart 3a below depicts the processes Council might follow in assessing its position in relation to an EGM application referred by the Commission.

Flow Chart 3a –Elements associated with EGM Applications for Planning Permit



WORKING IN COLLABORATIONS

Due to the complex and interrelated issues that surround harmful gambling, a partnership approach is ideal and necessary, for sustainable change that will benefit the individual, their families and the community.

Protecting the community from the health and wellbeing harms associated with problem gambling is a whole of community responsibility. It requires an 'inter-sectoral' approach to deliver 'healthy' outcomes and a sustained commitment by the industry towards social responsibility.

Council can engage in partnership and to collaborate with stakeholders on a range of actions. Stakeholders could include the community, venues, support service providers and other levels of government to address gambling related issues. This may be achieved through the development and implementation of strategic approaches to mitigate potential local gambling harms and other collaborative actions aimed at limiting the impact on community. Sound Social policy will not only pass comment in recognition that this should happen, but will also provide the foundation for these sometimes difficult conversations to occur. An effective Policy that deals with what is, rather than what should be and is able to paint the whole picture in shades of grey, avoiding being too black or too white, is what's needed here.

Inviting community and industry level involvement at the beginning of the policy development all the way through to ongoing facilitation of a Gaming Industry Forums and regular Accord meetings, may also be indicated, as successful vehicles for facilitating such inter-sectoral discussion and exploring collaborations.

ADVOCACY AND ADVICE

Council has an important role and responsibility to advocate to various stakeholders about the gambling harm experienced by our community and the need to adopt protective measures that may include:

- Early uptake of venues to voluntary pre-commitment technology on gaming machines before the 1 December 2015 compliance date.
- Lobbying the State government for stricter product control and consumer protection measures such as recent measures that ban ATM machines in gaming rooms and voluntary pre-commitment.
- Advocating to industry to adopt more preventative health measures to limit gambling harm.
- Advocating to the Minister for Gaming to cap the Melton and Melton South area.

The avenues through which this occurs includes a Gambling Policy, by making submissions to government inquiries and attending forums and working groups that includes government and industry representatives. Local government may also lobby Federal and State government to improve regulatory and policy responses to gambling.

Council might also commit representation at round table discussions and responsible gambling networks involving other Councils, VCGLR, VLGA, MAV and other interested peak bodies.

Maintaining a watching brief in relation to the effectiveness of regulated harm minimisation approaches will be required to ensure the continuous improvement of local government action.

COMMUNITY EDUCATION

Educating the community about the facts and impacts of gambling is important for individuals being able to make informed choices about gambling activities.⁴⁹ There is often misconception about gambling products.⁵⁰ For example players often believe that certain factors influence winning rather than understanding that predetermined statistical return rates, determine winning and losing.⁵¹ Community education topics might include:

- Self diagnosing your gambling behavior;
- Support services available within the municipality;
- Building awareness of the 'normalising' of gambling behaviours in the community, particularly among young people;
- Promoting alternative forms of entertainment for those experiencing problems with gambling;
- Reducing the stigma surrounding problem gambling;
- Raising awareness of gambling product designs such as gaming machines; and
- Gambling awareness information provided in a range of languages and formats, online at forums, workshops and static displays.

Relevant materials could be developed in collaboration across Interface Councils, to create standardisation, consistency and efficiencies.

SUPPORT SERVICES

Various approaches to improve take up rates and increase access to support services and tools might include:

- Working in partnership to develop programs, share resources and coordinate referral points and treatment services;
- Promotion of existing support services throughout the community;
- Reducing the stigma associated with those seeking help services; and
- Encouraging and supporting service providers to build a presence in the municipality.

There are several types of 24 hour support services available through Gambler's Help for those experiencing problems with gambling or their families and friends that include:

- Online and telephone Counseling;
- Specialised support services for minority groups;
- Self- help strategies;
- Peer connection programs;
- Voluntary self-exclusion; and
- Information in other languages

The Victorian Responsible Gambling Foundation is responsible for delivering gambling support services to the community. Gamblers Help Western is the Gamblers Help provider for the City of Melton. The service operates from ISIS Primary Care, located in St Albans. Gambler Helps West may be contacted on 1800 858 858 and online Counseling is available at www.gamblershelponline.org.au. A variety of other non specific gambling related support and Counseling services are also available within the Melton municipality. For a full

⁴⁹ Productivity Commission 2010, *Gambling*, Report no. 50, Canberra.

⁵⁰ Ibid

⁵¹ Blaszczynski, A., Ladouceur, R., Goulet, A., Savard, C. (2008). Differences in monthly versus daily evaluations of money spent on gambling and calculation strategies. *Journal of Gambling Issues*, 21, 98-105.

list of Councils support services please contact Council's Family Services on 9747 7200 or familyservices@melton.vic.gov.au.

THE LOCAL GAMING POLICY CONTEXT

The *Local Government Act* (1989) states that the primary objective of a Council is to endeavour to achieve the best outcomes for the local community having regard to the long term and cumulative effects of decisions.

Melton City Council adopted its first Responsible Gaming Policy in 2004 that was designed to provide a consistent approach to decision making about applications for planning permits for the installation and use of EGMs and their location within the municipality. This policy was updated in 2008 and remained limited in focus to Gaming related matters only. As previously indicated, this discussion aimed to support the formulation of a new Melton City Council Responsible Gambling Policy, underpinned by Harm Minimisation principles, with a particular focus on EGMs.

Over the past ten years the level of knowledge and understanding of the impact of EGMs on the community and local economy has increased significantly, and the new Policy will seek to incorporate and apply this learning to the local context. Competing policy interests are reflected for consideration in the current policy development and the options to be explored.

INDUSTRY CONSULTATION – WHAT VENUE OPERATORS SAY

Local EGM Venue Operators were consulted in the formulation of this background discussion and the development of the draft Melton Responsible Gambling Policy.

On explaining the various roles for Council in the responsible gambling policy sphere and outlining the proposed harm minimisation approach, venue managers were both forthcoming with their support and understanding of the complex arena. They expressed appreciation for being invited to be involved from the outset and a willingness to be involved in any responsible gambling forum to be introduced.

Policy Considerations and Analysis

Several factors are known to be peculiar to the gaming industry since the 1990's, and these remain important today. In considering Council's response to EGM gambling in the local community, there are a number of additional issues that should be canvassed. These include:

1. There is **very little research** around the operation of the industry in Victoria, particularly in recent years. This extends to research on the effectiveness of harm minimisation measures, behavioural research into the cues and stimuli that increase and promote problematic gaming behaviours, assessment of immediate and long term impacts of problem gaming on the community, and community attitudes towards gaming and the role of government in its regulation. This is of particular relevance to Interface Councils, attempting to make the best decisions possible, within a seemingly never ending changing landscape.
2. There is an **asymmetry of information** in which most of the information on gaming behaviour is held by the gaming industry. While some of this information is reported to the VCGLR, very little is available to either the general public or authorities such as Councils, who are increasingly charged with the responsibility for determining applications for additional machines or venues. The retail gravity model further skews the information available to be considered by decision makers.
3. There is an emerging view that EGMs are an **unsafe consumer product**. Implicit in this view is that the owners and operators of EGMs have a 'duty of care' to provide a safe environment for gaming and to provide adequate consumer information and protection. While consumer protection measures were strengthened in recent times by the Victorian Government, further measures are available, such as the introduction of smart cards that allow players to predetermine a limit on losses and frequency of play.
4. The Victorian Government as both *regulator* and *beneficiary* of the gaming industry has an inherent **conflict of interest**. A significant proportion of gaming revenues come from problem gamblers, and gaming revenues are a significant source of income to the State Government. There is a need for a watching brief on the State Government's performance in respect to Policy and Regulation of the Gaming Industry from the viewpoint of accountability, transparency, sustainability and fairness.
5. The role that common law concepts of 'standard of care', and 'vicarious liability' may increasingly emerge as areas requiring further investigation, particularly in light of recent changes in diagnoses under the DSM-V.
6. Particular policy attention is to be directed to:
 - Council Owned or managed land**: Implications of gaming venues operated from Council owned or managed land. The contract management and leasehold arrangements in place and to be negotiated into the future need to be done in an open and transparent manner according to the stated Policy arrangements; and
 - Direct Settings and Future applications**: Anticipating applications for new venues in growth areas and growth of existing venues already within electronic gaming industry. Considering appropriate placement, design and conceptual visioning in master planning activities to accommodate venues with compatible land uses and avoiding conflict and incompatible, particularly sensitive uses.
 - Seek ways to collaborate with industry and community** from the outset of a proposal and to anticipate, accommodate and adapt to proposed legislative change, collectively and avoiding costly and adversarial disputes in application processes wherever possible.

PART 10—RECOMMENDATIONS AND CONCLUSIONS

Melton City Council performs various roles and functions and engages in numerous spheres of influence in relation to the gambling industry particularly the area of electronic gaming. Council plays a key role in enabling buffers to protect the community from potential harms associated with gambling.⁵² There are several ways through which Council may attempt to influence gambling activity within the municipality to limit the negative impacts of gambling on the community. These have been extensively explored across the current discussion.

It is understood that any implementation program, which aims to reduce the negative impacts of gambling would require significant resourcing. It is anticipated that such resourcing requirements may well be disproportionate to the amount of gain able to be realised.⁵³ The importance of Council articulating a clear policy position on gambling within the municipality and its ability to comprehend the array of options available, associated costs and potential effectiveness associated with the implementation of certain actions directed at minimising potential gambling harms were also explored.⁵⁴

New policy will consider all areas of Council influence, provide clear Policy Statements in line with the City Plan Objectives to support a robust implementation framework. The development of a Responsible Gambling Policy, has involved industry community engagement and its implementation supported by a range of implementation tools including a SEIA assessment criteria, convening of a Gaming Industry Forum, Local project planning activities and the development of a Local Planning Policy.

For all the reasons identified throughout this report, sound, transparent and strategically justified social policy, will clearly establish Councils roles, responsibilities and commitments to establishing responsible gambling practices across the Melton City community.

This will be achieved by:

- setting out clear policy commitments and positions in relation to certain decision making criteria;
- basing all decisions on robust Social and Economic Impact Assessments with a focus on the methods for managing undesirable impacts;
- development of a gambling Saturation index; and
- being clear about its intention to work with industry, other levels of government, the gaming industry and community service agencies to minimise harms and maximise local benefit for local Melton communities.

In this environment it is prudent for Melton City Council to adopt an independent position on Electronic Gaming which reflects its own assessment on how the interests on the community are best served in relation to the operation of EGMs within the municipality.

Aligned with this is an interest in promoting and supporting recreational, cultural and leisure activities that provide gaming free alternatives, particularly to vulnerable groups. Thus it is in this complex, social and political landscape that local gambling and EGM statistics have been provided.

⁵² Shepherdson, Above n 7.

⁵³ Ibid.

⁵⁴ Ibid.

FUTURE DIRECTIONS FOR DISCUSSION

It is recommended that future revisions of this discussion consider the following areas of research

VAMPIRE DISCUSSION

ENVIRONMENTAL FACTORS THAT ADD TO HARM

PROTECTIVE FACTORS THAT REDUCE HARM

GROWTH CONSIDERATIONS FOR AN INTERFACE COUNCIL

THE GEOTECH RETAIL GRAVITY MODEL

THE ROLE OF SEIA AND HARM MINIMISATION

DUTY OF CARE, STANDARD OF CARE AND VICARIOUS LIABILITY

THE CONSEQUENCE OF NEW GAMBLING DISORDER DIAGNOSES UNDER THE DSM-V

PLANNING TOOLS AND GUIDANCE NOTES

SEIA AND SPECIFIC HARM MINIMISATION PRACTICE EXAMPLES

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APPENDIX 1: ELECTRONIC GAMING LEGISLATIVE CONTEXT IN VICTORIA

TABLE OF LEGISLATION

LOCAL GOVERNMENT ACT 1989 (VIC)

Planning and Environment Act 1987 (Vic)

Community Health and Wellbeing Act 2008

LOCAL GOVERNMENT ACT 1989 (VIC)

Section 3A of the *Local Government Act 1989*, complimented by other Victorian Statutes confers certain powers and functions to local government as the representative of the local municipality to maintain peace, order and good government.

THE ROLE AND OBJECTIVES OF LOCAL GOVERNMENT AS DEFINED BY THE ACT INCLUDE:

LOCAL GOVERNMENT ACT 1989

SECTION 3D WHAT IS THE ROLE OF A COUNCIL?

- (1) A Council is elected to provide leadership for the good governance of the municipal district and the local community.
- (2) The role of a Council includes—
- (a) acting as a representative government by taking into account the diverse needs of the local community in decision making;
 - (b) providing leadership by establishing strategic objectives and monitoring their achievement;
 - (c) maintaining the viability of the Council by ensuring that resources are managed in a responsible and accountable manner;
 - (d) advocating the interests of the local community to other communities and governments;
 - (e) acting as a responsible partner in government by taking into account the needs of other communities;
 - (f) fostering community cohesion and encouraging

LOCAL GOVERNMENT ACT 1989

Section 3C Objectives of a Council

- (1) The primary objective of a Council is to Endeavour to achieve the best outcomes for the local community having regard to the long term and cumulative effects of decisions.
- (2) In seeking to achieve its primary objective, a Council must have regard to the following facilitating objectives—
- (a) to promote the social, economic and environmental viability and sustainability of the municipal district;
 - (b) to ensure that resources are used efficiently and effectively and services are provided in accordance with the Best Value Principles to best meet the needs of the local community;
 - (c) to improve the overall quality of life of people in the local community;
 - (d) to promote appropriate business and employment opportunities;
 - (e) to ensure that services and facilities provided by the Council are accessible and equitable;
 - (f) to ensure the equitable imposition of rates and charges;
 - (g) to ensure transparency and accountability in Council decision making.
 - (f) active participation in civic life.

TABLE OF LEGISLATION (CONTINUED)

THE GAMBLING REGULATION ACT 2003

The *Gambling Regulation Act 2003*, provides the legislative framework for gambling in Victoria. The main objectives of the Act are to foster responsible gambling in order to:

- Minimise harm caused by problem gambling.
- Accommodate those who gamble without harming themselves or others.
- Ensure minors are neither encouraged to gamble nor allowed to do so.
- Ensure that gaming on gaming machines is conducted honestly.
- Ensure that the management of gaming machines and gaming equipment is free from criminal influence and exploitation.
- To promote tourism, employment and economic development generally in the State.

VICTORIAN PLANNING & ENVIRONMENT ACT 1987

The purpose of this Act is to establish a framework for planning the use, development and protection of land in Victoria in the present and long-term interests of all Victorians. Furthermore under this act, consideration must be given to the social and economic impact associated with land use and development.

Under the act the following objectives provide guidance with regard to the regulation of gaming machines

- To provide for the fair, orderly, economic and sustainable use, and development of land.
- To secure a pleasant, efficient, safe working living and recreational environment for all Victorians and visitors to Victoria.
- To balance the present and future interests of all Victorians.

PUBLIC HEALTH AND WELLBEING ACT 2008

Under the *Public Health and Wellbeing Act 2008* council's function is to seek to protect, improve and promote public health and wellbeing within the municipality. Principles under the act that apply to decision making in relation to gambling include:

- Precautionary principle that supports the implementation of measures to prevent or control serious public health threats. A lack of scientific evidence should not lead to postponement of interventions.
- Primacy prevention is the prevention of disease, illness, injury, disability or premature death and is preferable to remedial measures.
- Evidence based decision making involves making use of the most relevant and reliable information to most effectively utilise resources for public health protection, promotion and intervention.

APPENDIX 2

Requirements of Gaming Venues under the *Gambling Regulation Act 2003*

CODE OF CONDUCT

A condition of the Gaming Licence is for the venue to have an approved Responsible Gambling Code of Conduct. The Victorian Commission for Gambling and Liquor Regulation (VCGLR) approves codes of conduct to increase awareness about gambling products and the importance of gambling responsibly.

A code of conduct must be written in a manner that will enable it to be readily understood by customers. As a minimum requirement, a code of conduct must be written in plain English and be presented in such a way as to be reasonably accessible to customers, including customers from culturally and linguistically diverse backgrounds. More thorough detail in relation to the contents and criteria of the Code of Practice is detailed in the table provided at Appendix 2.⁵⁵ (Refer to Appendix 3 for contents of Code of Practice).

Codes of Conduct for all EGM venues in Victoria are available from the VCGLR website at www.vcglr.vic.gov.au

VENUE SUPPORT WORKERS

In 2011, the Victorian Government introduced a Venue Support Worker Program which operates in each Region through the Gamblers Help Service. This program was designed to support venues to deliver more responsible gambling environments and has improved the delivery of training to venue managers and staff. Two Gaming venue Support workers service the Northern Metropolitan Region who would typically visit each venue twice per year.

RESPONSIBLE SERVICE OF GAMING

In August 2012, new training requirements for gaming venue employees took effect. All gaming venue employees working in the gaming machine area while it is open to the public are now required to complete an approved Responsible Service of Gaming (RSG) training course within six months of starting work. Gaming venue employees must also complete a refresher course every three years thereafter. Previously, these training requirements only applied to employees with a gaming industry employee's licence.⁵⁶

⁵⁵ Victorian Commission for Gambling and Liquor Regulation, www.vcglr.vic.gov.au (accessed, 21 January 2014).

⁵⁶ Ibid.

APPENDIX 3

CONTENTS AND CRITERIA OF RESPONSIBLE GAMING CODE OF PRACTICE FOR ELECTRONIC GAMING VENUES

	Legislative requirements for Code of Conduct	Criteria for approval	Benchmark
1.	Be of a satisfactory standard - s10.1.4(2)(fd)	Code of conduct fulfils criteria below for legislative requirements 2-5	All criteria for requirements 2-5 are met
2.	Comply with Responsible Gambling Code of Conduct Ministerial Direction – s10.1.4(2)(fd) and s10.6.6	The code of conduct includes all elements of the ministerial direction, which apply to the type of gambling.	The code of conduct shows that in its practice the relevant person will meet or exceed the guidelines set out by the Minister for implementing each relevant aspect of the directions.
3.	Demonstrate a commitment by the relevant person to foster responsible gambling section 10.6.7(a)	<p>Suitable processes and structures are in place to support the implementation and ongoing operation of the code of conduct.</p> <p>The code of conduct is accompanied by or includes a statement outlining the relevant person's processes and structures.</p>	<p>This could cover:</p> <ul style="list-style-type: none"> • Management and staff roles and responsibilities for implementing and evaluating the code of conduct (e.g. standing management meeting agenda item, nominated staff person to interact with customers) • Induction and training processes • Ways of raising and addressing implementation issues within the venues • Ways of publicising and rewarding effective strategies and staff conduct (e.g. could become part of performance or salary arrangements, rewards and recognition program).
4.	Be appropriate for, and relevant to, the nature and type of gambling the relevant person is authorised to provide section 10.6.7 (b)	The code of conduct includes all elements of the ministerial direction, which apply to the type of gambling.	The code of conduct should show that in its practice the relevant person will meet or exceed the Minister's guidelines for implementing each relevant aspect of the directions.
5.	Set out a review process by which the relevant person will assess the operation and effectiveness of the code of conduct – section 10.6.7(c)	The code of conduct is accompanied by or includes a statement outlining the relevant person's process and timeline for review of the code of conduct's operation.	Review of the operation of the code of conduct should occur annually, and use a process that includes input and feedback from staff and a sample of patrons.

APPENDIX 4

VCGLR - SAMPLE CONTENTS OF THE ECONOMIC AND SOCIAL IMPACT SUBMISSION PROFORMA

ECONOMIC AND SOCIAL IMPACT SUBMISSION

- (a) Name of responsible authority making submission:

- (b) Name(s) of surrounding municipal districts:

- (c) Application to which this submission refers.
Applicant Name:

(Name of entity for incorporated bodies i.e. company or incorporated club)
- (d) Premises or Approved Venue Name and Address:

(Name) (No) (Street)

(City/Town/Suburb) (State) (Postcode)
- (e) The _____ Council DOES/DOES NOT (delete whichever does not apply) want to make a submission under section 3.3.4 or 3.4.17 of the *Gambling Regulation Act 2003*. If you do not wish to make a submission, complete items (a) to (f) on this page, sign in the box below and remit to the Victorian Commission for Gambling and Liquor Regulation.
- | |
|--|
| Name (please print): _____
Chief Executive Officer of responsible authority making submission.
Signature: _____ Date / / |
|--|
- (f) The _____ Council DOES/DOES NOT (delete whichever does not apply) support the above application.
- (g) Do any of the municipal districts listed at (b) have any objection(s) to the application?
Yes No
If 'YES', attach details to this submission. (attachment/page number is:/.....)
- (h) A copy of this submission was provided to the applicant on: Date / /
- (i) I, the undersigned for the responsible authority making this submission, declare that all statements contained in and all matters accompanying this submission are to the best of my knowledge true and correct in every detail. I also understand that the applicant can make comment on this submission to the Victorian Commission for Gambling and Liquor Regulation.
- | |
|--|
| Name (please print): _____
Chief Executive Officer of responsible authority making submission.
Signature: _____ Date / / |
|--|

3

MUNICIPAL DISTRICT PROFILE

1. Profile of Municipal District	
1.1 In an attachment provide a profile of your municipal district and if there is a relationship between any profile characteristics and gaming. Items to cover could include, but are not limited to:	
<ul style="list-style-type: none"> • Local community demographics, by way of example, age distribution and trends, cultural attributes or recreational information; • Economy; and • Tourism patronage. 	
1.2 Has an attachment been included?	YES <input type="checkbox"/> NO <input type="checkbox"/>
1.3 If 'YES', attachment/page number is:/.....
2. Electronic Gaming Machines	
2.1 Total number of EGMs currently in the municipal district: <small>(information available from VCGLR website.)</small>
2.2 Number to be added by the proposal: <small>(EGMs sought less those recycled from within municipal district, information provided in Part B of applicant's form.)</small>
<small>For the information to complete 2.3 to 2.8 contact the VCGLR on 1300 182 457 or visit the VCGLR website > Industry Participants > Info Maps.</small>	
2.3 EGMs per 1,000 of the total population in the municipal district:
2.4 EGMs per 1,000 (over 18yrs) of the total population in the municipal district:
2.5 EGMs per 1,000	Statewide average:
2.6	Metro/Country average: <small>(Delete whichever is not applicable.)</small>
2.7 EGMs per 1,000 (over 18yrs)	Statewide average:
2.8	Metro/Country average: <small>(Delete whichever is not applicable.)</small>
Further Information/Comment:	
Please use an attachment to provide any further information.	
2.9 Has an attachment been included?	YES <input type="checkbox"/> NO <input type="checkbox"/>
2.10 If 'YES', attachment/page number is:/.....

4

3. Number of Gaming Venues	
3.1 Total number of venues currently in the municipal district: <small>(Information available from VCGLR website.)</small>
3.2 Will a new venue be created by the proposal?
<small>For the information to complete 3.3 to 3.8 contact the VCGLR on 1300 182 457 or go to www.vcglr.vic.gov.au/Venue map</small>	
3.3 Persons per venue of the total population in the municipal district:
3.4 Adults per venue (over 18yrs) of the total population in the municipal district:
3.5 Person per venue	Statewide average:
3.6	Metro/Country average: <small>(Delete whichever is not applicable.)</small>
3.7 Adults per venue (over 18yrs)	Statewide average:
3.8	Metro/Country average: <small>(Delete whichever is not applicable.)</small>
Further Information/Comment:	
Please use an attachment to provide any further information.	
3.9 Has an attachment been included?	YES <input type="checkbox"/> NO <input type="checkbox"/>
3.10 If 'YES', attachment/page number is:/.....

Appendix 5 – Gamming losses update

A. EGM Losses by Selected Municipality 2013/14

Monthly Net EGM Expenditure								
Net EGM expenditure is the total amount lost by players.								
	Melton	Wyndham	Brimbank	Hume	Maribyrnong	Whittlesea	Greater Dandenong	Monash
Financial Year	2013/14	2013/14	2013/14	2013/14	2013/14	2013/14	2013/14	2013/14
	\$	\$	\$	\$	\$	\$	\$	\$
July	4,698,014.57	8,058,746.33	11,908,859.03	8,654,670.44	4,647,764.33	8,297,761.22	9,336,996.40	9,309,978.56
August	5,147,133.80	8,446,798.50	12,765,417.81	9,251,983.57	5,013,309.73	8,631,890.47	9,823,875.75	9,909,957.62
September	4,662,980.51	7,530,567.60	11,259,524.71	8,350,042.36	4,438,589.52	7,742,941.49	9,269,922.38	9,344,859.75
October	4,844,027.06	8,111,265.02	12,184,961.11	8,867,487.00	4,667,661.91	8,056,323.97	9,632,011.37	9,786,819.09
November	4,525,633.78	7,878,591.05	11,991,402.84	8,581,754.10	4,574,970.14	8,100,731.38	9,603,746.46	9,632,590.42
December	4,629,839.35	7,660,115.66	11,857,614.81	8,668,734.13	4,400,559.44	8,348,632.73	9,324,996.91	9,729,752.06
January	4,385,765.86	7,011,423.32	11,201,504.44	8,410,746.52	4,107,262.93	7,890,351.31	8,628,067.66	8,672,553.94
February	3,929,808.04	6,425,253.31	10,197,840.53	7,534,904.78	3,641,379.20	6,881,106.63	7,918,509.50	7,996,114.78
March	4,325,388.63	7,370,685.25	11,365,502.45	8,186,705.82	4,285,190.32	7,840,719.31	8,985,815.57	8,688,020.09
April	4,221,909.33	7,251,309.69	11,153,626.97	8,162,092.47	4,219,051.98	7,966,500.97	8,973,061.20	8,426,302.05
May	4,600,278.51	7,635,071.53	11,635,952.68	8,766,035.89	4,525,754.64	8,503,952.53		9,147,267.58
June	4,240,271.69	6,962,718.06	11,020,458.21	8,387,120.60	4,384,371.57		9,516,617.03	8,558,310.64
						7,958,125.64		
TOTAL	\$54,211,051.13	\$90,342,545.32	\$138,542,665.59	\$101,822,277.68	\$52,905,865.71	\$96,219,037.65	\$110,134,642.61	\$109,202,526.58
EGMs	493	891	946	805	426	691	972	997
Venues	7.00	13	15	16	10	10	15	15
Hotels	4	7	8	9	4	6	6	11
Clubs	3	6	7	5	6	4	9	4
Average loss per EGM	\$109,961.56	\$101,394.55	\$146,451.02	\$126,487.30	\$124,192.17	\$139,246.07	\$113,307.25	\$109,531.12

B. EGM Losses by Selected Municipality 2013/14

EGMs and Average losses

Net EGM expenditure is the total amount lost by players.

	Brimbank	Whittlesea	Hume	Maribyrnong	Greater Dandenong	Melton	Monash	Wyndham
TOTAL	\$138,542,665.59	\$96,219,037.65	\$101,822,277.68	\$52,905,865.71	\$110,134,642.61	\$54,211,051.13	\$109,202,526.58	\$90,342,545.32
EGMs	946	691	805	426	972	493	997	891
Venues	15	10	16	10	15	7	15	13
Hotels	8	6	9	4	6	4	11	7
Clubs	7	4	5	6	9	3	4	6
Average loss per EGM	\$146,451.02	\$139,246.07	\$126,487.30	\$124,192.17	\$113,307.25	\$109,961.56	\$109,531.12	\$101,394.55