# Table of Contents

1. Introduction..................................................................................................................................................................................3

2. Definition of Problem Gambling...............................................................................................................................................................3

   3.1 Responsible Gambling Strategy Action plan..............................................................................................................................5
       • Advocacy................................................................................................................................................................................5
       • Community Strengthening and Education...........................................................................................................................6
       • Research..................................................................................................................................................................................6
       • Regulation and Planning..................................................................................................................................................6

4. Background.........................................................................................................................................................................................7

5. Forms of Gambling..............................................................................................................................................................................8
   5.1 Electronic Gaming Machines .....................................................................................................................................................8
   5.2 The EGM Product and Consumer Safety.................................................................................................................................9
   5.3 Online Gambling........................................................................................................................................................................10

6. Federal Government........................................................................................................................................................................11
   6.1 Pre-commitment.......................................................................................................................................................................12
   6.2 $1 Bet Limit..............................................................................................................................................................................12

7. State Government .............................................................................................................................................................................13
   7.1 State Tax/Revenue Received from Gambling..........................................................................................................................14
   7.2 Entitlements...............................................................................................................................................................................16
   7.3 Removal of ATM’s in All EGM Venues in Victoria..................................................................................................................18
   7.4 Victorian Responsible Gambling Foundation.......................................................................................................................18

8. Local Government.............................................................................................................................................................................19
   8.1 Council Addressing Problem Gambling.................................................................................................................................20
   8.2 Council Regulation – Permits..................................................................................................................................................21
   8.3 Consultation – Survey Results................................................................................................................................................22
   8.4 Community Wellbeing and Vulnerable Communities........................................................................................................23
   8.5 CALD Communities and International Students..............................................................................................................25

9. Conclusion .........................................................................................................................................................................................25

10. Attachments..................................................................................................................................................................................26
    10.1 Attachment 1 – Other forms of Gambling...........................................................................................................................26
    10.2 Attachment 2 – Federal Government......................................................................................................................................27
    10.3 Attachment 3 – Regional Caps 2001.........................................................................................................................................28
    10.4 Attachment 4 – Eastern Metropolitan Region......................................................................................................................29
    10.5 Attachment 5 – Community Survey......................................................................................................................................31

11. Endnotes.........................................................................................................................................................................................35
1. Introduction

Since the previous Monash Gambling Policy was written in 2007, there have been significant changes to the gambling industry, the regulatory environment, new research and a greater emphasis on community awareness and harm minimisation. Therefore it is timely that Council review its direction and responsible gambling strategies.

This strategy has been informed by the extensive community consultation that Council undertook in November and December 2011 with the wider community, Electronic Gaming Machine (EGM) Venue Managers, service providers and Council staff, benchmarking against other LGAs and an extensive literature review.

This strategy includes the updated City of Monash Gambling Policy 2007.

The strategy will provide Council with information on a range of gambling choices available to the Monash community and relevant State and Federal Government initiatives, policies and reforms. A major focus of this strategy is on EGMs due to the high impact on the Monash community, however the concern relating to other forms of gambling revealed in the community survey, has lead Council to also consider a number of other gambling activities that are readily accessible such as online gambling and the role that Council can play to address these community concerns.

Council’s overall goal and long term commitment is to reduce the negative impacts of problem gambling, both current and potential, on the Monash community.

2. Definition of Problem Gambling

Council recognises that gambling is a lawful activity that can provide entertainment, recreation and socialising opportunities. While the majority of people who partake in gambling do so without experiencing adverse effects, a small but significant number of people gamble excessively and experience a variety of personal, family and financial problems as a result Council recognises the existence of this tension in terms of community impact.

The Federal Ministerial Council on Gambling reached a generally accepted definition of problem gambling and is supported by the Productivity Commission;

“Problem gambling is characterised by difficulties in limiting money and/or time spent on gambling, which leads to adverse consequences for the gambler, others, or for the community (Neal et al. 2005, p.i)”. 

This definition has a wider utility than individual pathology definitions, and does not place the onus on the individual, recognising that problem gambling is an addiction and individuals addicted to gambling are not exercising rationality to make sensible decisions. The origins of
harm in relation to gambling is almost always related to financial problems, which affects the community as a whole, as well as the individuals and their immediate families who are part of the community.


This policy outlines Monash City Council’s position on EGMs within its municipality and supersedes the City of Monash Gambling Policy 2007.

Council will have regard to this policy when:

- Assessing planning permit applications to install or use EGMs under Clause 52.28 of the Monash Planning Scheme;
- Making a submission to the Victorian Commission for Gambling and Liquor Regulation (VCGLR) on an application for approval of a premises as suitable for gaming under section 3.3.6 of the Gambling Regulation Act 2003; and
- Making a submission to the VCGLR on a request for an amendment of conditions of a venue operator’s licence under section 3.4.19 of the Gambling Act.

Guiding Principles of the Monash Gambling Policy 2012-2014 are:

- To ensure that new or additional EGMs will cause no net harm to the health, social and economic well-being of residents and communities.
- To ensure the location of EGMs minimises opportunities for convenience gambling and the incidence of problem gambling.
- To ensure that EGM’s are located where the community has a choice of non gambling entertainment and recreation activities within the venue or in the local area.
- Council would encourage the redistribution of EGMs away from areas of relative disadvantaged areas, as defined by the latest ABS SEIFA index of relative socio-economic disadvantage.
- Census Collector District data and local needs to be considered by both the applicant and Council.
- EGMs should not be located where they are convenient to a concentration of shops, major community facilities or key public transport modes where large numbers of pedestrians are likely to pass in the course of their daily activities.
- Council will not support any application for EGMs on Council owned or managed land.
- Council will monitor gambling losses, research, legislative changes and developments within the gambling industry, giving consideration to their implications for the community.
- Council will continue to inform residents about the potential for problem gambling and the potential detrimental effects of gambling and sources of support for individuals and families affected by gambling related problems.
- Council will advocate for the definition of ‘community purpose’ (CBS) to be amended, to ensure that Club operators contribute less on matters that benefit the commercial
operation of the club and increase contributions to programs and activities that benefit the wider community or support communities at risk of gambling related harm.

- Council will advocate for greater transparency and fairness in the distribution of the Community Support Fund.
- Council will advocate that the VCGLR should have to consider EGM density in a local neighbourhood area in comparison to the State average when assessing an application.
- Advocate for increased support services for problem gamblers and their families.

3.1 Responsible Gambling Strategy Action Plan

Key action areas and subsequent strategies that have been identified to assist Council in reaching its long term commitment of reducing the negative impacts of problem gambling, both current and potential on the Monash community are;

- Advocacy
- Community Strengthening and Education
- Research
- Regulation and Planning

ADVOCACY

- Council to advocate to the State Government to change the Gambling Regulation Act (2003) to ensure that;
  - The VCGLR examine the impact on smaller neighbourhoods by using Census Collector District data for the local neighbourhood area surrounding the venue for each application.
  - The definition of ‘community purpose’ (CBS) be amended, to ensure that Club operators contribute less on matters that benefit the commercial operation of the club and increase contributions to programs and activities that benefit the wider community or support communities at risk of gambling related harm.
  - The VCGLR should have to consider whether the application will increase the EGM density in a local neighbourhood area over the state average.
- Council to advocate for more streamlined systems and realistic time limits for submissions to VCGLR taking into account Council meeting schedules and resources.
- Council to continue to work in partnership with a range of State peak bodies (ie Local Governments Working Group on Gambling, the MAV, and Victorian Local Governance Association) to improve advocacy capacity to streamline submission process.
- Council to advocate for improved transparency and accountability in the distribution of funds from the CSF and to be spent where the losses are incurred.
- Council to define its position on online betting, TAB etc to enable effective and efficient advocacy, especially in relation to the use of credit cards for online gambling.
- Council to advocate for the introduction and implementation of a pre-commitment scheme.
- Council to advocate to State and Federal Governments for a $1 maximum bet.
• Advocate to State and Federal Government to implement spending limits on EGMs by an individual.

COMMUNITY STRENGTHENING AND EDUCATION

• Council to increase promotion of Gamblers Help service, including online services.
• Council to work with local service providers and venues to encourage the promotion of alternative recreation opportunities at gambling venues.
• Council to create awareness and educate the community on the realities of gambling and promote other recreational opportunities.
• Hold MRGT meetings in conjunction with Monash Liquor accord, where possible.
• Monash to undertake education and awareness training in conjunction with MYFS and local gambling service providers targeting the specific needs of young people.
• Council to work with Venues to provide relevant community information, social groups and activities for ‘at risk’ patrons and encourage venues to provide this information in relevant community languages.
• Work with Gamblers Help to increase their promotion at council facilities.
• Strengthen partnerships with Gamblers Help Eastern and local Culturally and Linguistically Diverse (CALD) ‘community leaders’ to promote alternative recreation and reduce the stigmatisation of seeking help within the CALD community.

RESEARCH

• Council to conduct specific research in relation to the impact of EGMs in vulnerable communities in Council’s municipal district, including research on CALD communities and international students. The research will need to look at the extent of problem gambling in the municipality, including the impact on individuals, families and the community generally, and what preventative work can be done to limit harm (subject to additional resources being provided in current and future budgets)

REGULATION AND PLANNING

• As a priority, Council to investigate the use of online internet filters that will block gambling sites on library computers.
• That the strategic and policy references to gaming in the Monash Planning Scheme be reviewed and rewritten into a more concise and consolidated format as part of the review of the Municipal Strategic Statement and the Local Planning Policy Framework (LPPF) that is to commence in late 2012.
4. Background

There are a range of legal gambling opportunities readily accessible in Australia, such as:

- Electronic Gaming Machines (EGMs)
- Wagering, ie racing and sports betting
- Lotteries and bingo
- Club Keno
- Crown Casino
- Online gambling

In Victoria these forms of gambling, except online gambling, which is governed by the Federal Government, are currently the responsibility of the regulatory body known as the Victorian Commission for Gambling and Liquor Regulation (VCGLR). VCGLR’s role is to monitor and enforce regulatory compliance.

Regulation of gambling in Victoria is provided under the following legislation:

- Gambling Regulation Regulations 2005 (Vic)
- Planning and Environment Act 1987 (Vic)
- Casino Control Act 1991 (Vic)
- Casino (Management Agreement) Act 1993 (Vic)
- Casino Control (Boundary Redefinition Fee) Regulations 2005 (Vic)
- Gambling Regulation (Licensing) Amendment Act 2009 (Vic)
- Interactive Gambling Act 2001 (Federal)

State Government and Local Government have a legislative role in regards to gambling. The Gambling Regulation Act 2003 is the primary gambling Act in Victoria along with the Planning and Environment Act 1987.ii

The Gambling Act identifies that gambling has both positive and negative impacts on the community. The challenge for managing gaming is to produce a balanced outcome by enabling gaming as a form of recreation while minimising the harm caused by problem gambling.iv

The Gambling Act established the Victorian Commission for Gambling Regulation (VCGR) under Section 1.1 (3)(j) to oversee the conduct of gambling in Victoria, and it gives it the power to grant or refuse an application for a gambling license. In 2011, legislation was passed to amend the role of the Commission to the Victorian Commission for Gambling and Liquor Regulation (VCGLR), which commenced operation on 6 February 2012.v For all intents and purposes, in regards to gambling, the role of the VCGLR has not changed the way in which Council will interact with this regulatory body.

The Planning and Environment Act 1987 establishes a framework for Local Government for planning the use, development and protection of land in Victoria in the present and long-term interest of all Victorians. The Planning Act establishes the content and regulation of planning schemes in Victoria and recognises the legal power of authority over various issues covered by the Act.vi The most pertinent objectives of this Act with regard to the regulation of gaming machines and gaming venues are;
4. (1)(a) to provide for the fair, orderly, economic and sustainable use, and development of land; (c) to secure a pleasant, efficient, safe working, living and recreational environment for all Victorians and visitors to Victoria; (g) to balance the present and future interests of all Victorians.

In addition to these objectives, Section 4(2)(d) requires that consideration be given to the social and economic impact of the use and development of land.

The Planning Act gives councils, as the responsible authorities, the power to grant or refuse a planning permit for the installation of use of EGMs and increased EGMs.

5. Forms of Gambling

There is a vast array of gambling opportunities available to the Monash community, yet a key principle governing this strategy is to target Council’s efforts where it can directly influence policy and regulatory developments that have the greatest negative impacts on the local community. It is for this reason that the primary priority in this strategy is EGMs. However Council has also been made aware of the communities growing concerns in relation to online gambling, with no regulatory power on this issue, Council is in a position to influence via advocacy and education. (Please refer to Attachment 1 for further details on wagering and lotteries)

5.1 Electronic Gaming Machines

Electronic Gaming Machines (EGMs) have been operational in Victoria since 1991. As of 30 June 2011 in Victoria:

- There are 26,778 EGMs operating (excluding Crown Casino)
- Total losses for 2010/11 was over $2.6 billion
- Average number of EGMs per 1000 adults in Victoria was 6.19
- The average net loss per adult was $613 per annum

The Productivity Commission Report on Gambling (2010) focused heavily on the EGM industry as the risks associated with playing gaming machines are higher than any other gambling forms in relation to problem gambling. The Productivity Commission Report also found that:

- EGMs account for the highest amount of overall gambling expenditure in Australia (62%).
- The risk of problem gambling increases significantly with the frequency of playing EGMs.
- EGMs account for around 75-80% of ‘problem gamblers’.
- 40% of the total Australian EGM losses come from ‘problem gamblers’.
- EGMs are widely accessible throughout the community in all jurisdictions (except WA).
- Regular EGM players (those playing at least once a week) are estimated to spend on average ($7000 - $8000) per annum, a sizeable share of household incomes, and a key source of harm to some individuals and their families.
The cost of playing EGMs is poorly disclosed to the consumer. The fact that receipts are not issued accentuates the tendency for gamblers to underestimate their spending.

5.2 The EGM Product and Consumer Safety

Of concern to both Local Government and the broader community is that there is no design standard or regulations that cover product safety and consumer protections for gaming machines.

Charles Livingstone, in his submission to the Productivity Commission Inquiry into Gambling commented that “....certain technical features of EGM’s undoubtedly exacerbate the tendency towards problematic or excessive EGM gambling consumption”\(^1\).

Some of the known problematic design features of EGMs are:\(^1\):

- Gaming machines display losses as winnings. If you pay $1 into the machine and receive 50 cents back the machine shows winning lights, sounds and graphics as if for a win, even though in fact there has been a loss of 50 cents. Up to 180 of these losses disguised as winnings occur in an hour – a huge positive reinforcement for losses\(^1\).
- 1 cent gaming machines are set at levels where they can take up to $6,000 per hour from players (explained below). The average machine takes around $1200 per hour. This is an unreasonable amount to pay for one hour of any type of entertainment.
  - Gaming machines are set at a capacity of one spin every 2.14 seconds in Victoria, which amounts to approximately 3 seconds per spin;
    
    \[
    \text{20 bets per minute x 60 minutes = 1,200 bets per hour possible}
    \]
    
    On a 1 cent machines, a maximum of $5 per bet can be laid:
    \[
    \$5 \times 1,200 \text{ bets} = \$6,000 \text{ per hour}
    \]
- A gaming machine in Victoria is set to provide an 87% return, however this does not mean that each bet returns 87 cents in the dollar. Rather, 87% return to player is a statistical expectation that will only be approached after many thousands of games are played; many games will produce no win at all.
- Large symbols for 1 cent and 2 cent are displayed on machines but there is no notification of the $6,000 per hour capacity. Players are therefore misled to believe they cannot lose much money, while placing themselves at serious and unknown financial risk.
- Machines encourage players to wager more, if a player is playing only one or two lines, a constant message flashes at eye level telling the player the more lines they play the more chance they have of winning.
- People are not made explicitly aware that they cannot in any way influence the gaming machines generation of numbers and symbols – no matter how or what buttons they press.
- Machines ‘reward’ players with ‘free’ spins, making the player feel they are outsmarting the machine. This feature keeps the player playing longer and increases the perception they are winning.
• Receipts or records of expenditure are not issued to gaming machine players, and surveys show players consistently and significantly underestimate their losses.

5.3 Online Gambling

Online gambling includes the following:
• Online wagering – consisting of sports and racing betting
• Online gaming – poker, blackjack, baccarat, roulette and virtual EGMs
• Lotteries – such as TattsLotto, Oz Lotto and Keno

Although still a relatively small part of the gambling market, online gambling and wagering have exhibited strong growth over the past ten years.

The popularity of the internet as a means to buy and sell goods has had a growing impact on the gambling industry. For example, a web search for ‘internet gambling’ yielded about 7,000 hits in 1999 (PC, 1999), in 2010 the same search yielded over 12 million, staggering. The same search in May 2012 returned over 33 million hits, a true example of the phenomenal growth that this form of the gambling industry has seen over a short amount of time.

The fundamental difference between online and venue based gambling is in the degree of access and convenience it provides. The physical distinction between different types of gambling disappears in the online environment. Generally, online gambling involves small but high frequency wagers similar to venue-based EGMs and therefore has the potential to make this form of gambling highly addictive.

In 2009-2010, online poker accounted for $249 million and online casinos accounted for $541 million in gambling losses across Australia. ix

A concern that has been raised in the community is the ability to access online gambling with the use of a credit card, the Productivity Commission Report 2010 found that the ‘ease of access and use of credit cards increases the risks associated with online gambling’. For problem gamblers, the reliance on credit cards in an online setting may magnify the financial harms from excessive gambling. x

Online gambling is regulated by the Interactive Gambling Act 2001 (IGA) and targets the supply of online gambling rather than the demand. It prohibits the provision of online gambling services to customers in Australia, but does not outlaw Australians from accessing online gambling services. In essence, this allows Australians to access online gambling provided by overseas companies.

The IGA excludes several forms of interactive gambling services such as telephone betting, horses, greyhounds etc. Gambling services prohibited under the IGA include: xi
• Online casino games, roulette, black jack and all form of online poker
• Online versions of EGMs
• Online bingo

The Productivity Commission Report recommends that the ban on the provision of online gambling services on offer in Australia be lifted as a means of diverting consumers away from unsafe sites to ones that meet Australian consumer safety standards. However the
Federal Government has not agreed with this recommendation citing that the potential harm for consumers is too great.

6. Federal Government

The Federal Government, in November 2008, requested the Productivity Commission to undertake a public inquiry into Australia’s gambling industry. Some of the key findings of this report were;

- Gambling is an enjoyable pursuit for many Australians. As much as possible, policy should aim to preserve the benefits, while targeting measures at gamblers facing significant risks or harm.
- The Commission estimates that there are between 80,000 and 160,000 Australian adults suffering severe problems from their gambling (0.5 to 1.0% of adults). In addition, there are between 230,000 and 350,000 people at moderate risk, who experience low levels of harm, and who may progress to problem gambling (1.4 to 2.1% of adults).
- People playing EGMs face much greater risks than people who gamble on other forms, particularly lotteries, scratchies and bingo.
- EGMs account for around 75% of instances of severe problem gambling.
- Most gamblers, even the average recreational gambler, have faulty beliefs about how EGMs work, with many people believing that they can recover losses by continuing to play and that machines run ‘hot’ or ‘cold’.
- Approximately 40% of gaming machines losses are derived from problem gamblers, moderate risk gamblers account for a further significant share.
- The significant social costs of problem gambling – estimated to be at least $4.7 billion a year – means that even policy measures with modest efficacy in reducing harm will often be worthwhile.
- Shut down periods for gaming in hotels and clubs are too brief and mostly occur at the wrong times. They should commence earlier and be of longer duration.

Key recommendations from the report include;

- Service linkages – Establish stronger formal linkages between gambling counselling services and other health and community services including developing a one item screening test which is targeted at people presenting with anxiety, depression, high drug and alcohol use as a means of identifying potential problem gambling issues.
- EGM design – Government should ensure that by 2012, all new EGMs include the capacity to be played at a maximum intensity of a $1 bet per push button, with this being activated across Australia by 2016. Governments should also restrict to $20 the amount of cash that a player can insert into a gaming machine note acceptor.
- Standards – State and Federal Governments should work together to establish a national minimum standard of training for problem gambling counsellors.

A number of proposed initiatives that have been considered by the Federal Government are outlined below;
6.1 Pre-commitment

Pre-commitment refers to a scheme where gamblers can set limits on how much they will spend and for how long before they actually begin gambling. Once they have reached their limit the player will be locked out of playing all machines at all venues for a period of time. Research has shown that players often have trouble keeping track of their losses and significantly underestimate their losses. This measure is expected to benefit players, families and the community by enabling gamblers to better monitor and control their level of losses on gambling machines. The Productivity Commission refers to this scheme as ‘informed consent’ and emphasises the importance of this strategy to encourage responsible gambling.\textsuperscript{xiii}

Mandatory pre-commitment is what the Federal Government is trialling in the ACT commencing in 2013 (refer also to Attachment 2). The Productivity Commission, amongst others, found that a mandatory, sector wide pre-commitment strategy, alongside other measures will assist in reducing harm from problem gambling significantly. The gambling industry does not support the mandatory pre-commitment scheme and argues that it will not stop problem gambling, nevertheless they estimate that if it was introduced Pubs and Clubs would lose up to 40\% of their profits.\textsuperscript{xiv}

The Federal Government have indicated that once the trial has concluded it should be reviewed by the Productivity Commission.

6.2 $1 Bet Limit

A recommendation by the Productivity Commission Report 2010 is the introduction of $1 bet limits. This however has been ruled out by both the major parties, including the current Federal government, as being too expensive to implement and it is obviously not supported by the gambling industry.\textsuperscript{\textsuperscript{\textsuperscript{xv}}} The Greens have indicated that they will raise a renewed proposal for $1 bet limits in parliament in 2012.

Currently EGMs in Victoria have a bet limit of $10 per spin, which means that machines can take up to $1200 an hour in Victoria. This is different for each State. The proposed limit would reduce the speed of the machines, making them less addictive and a safer product for consumers. The PCR 2010 found that the majority of gamblers never placed bet higher than $1 per spin\textsuperscript{xvi} . Those who did were much more likely to be problem gamblers. This means the reform would not impact on the majority of recreational gamblers, but would help people who are experiencing problems limiting their gambling or are at-risk of becoming problem gamblers.\textsuperscript{xvii}

The current Victorian Government did however propose a voluntary system of pre-commitment at the 2010 election. After the Federal Government withdrew their support for mandatory pre-commitment, the Victorian Government announced that they would no longer be going ahead with voluntary commitment systems in Victoria until 2016. This effectively puts the issue back until the next election term. The Victorian Government has stated that the implementation of a pre-commitment system would place to heavy a burden on venues and that Victoria should wait to see the outcome of the Federal Government’s trial.\textsuperscript{xviii}
7. State Government

The State Government oversees the gambling industry in a range of areas including policy, service provision and as a regulator (VCGLR). The Minister for Gambling sets the parameters for EGMs and gambling within the State and ultimately has responsibility in regards to all policies, decisions and reforms.

The day-to-day regulation of gambling is the responsibility of the VCGLR as an independent statutory authority. The Gambling Regulation Act 2003 (the “GRA”) provided for the establishment of, and is administered and enforced by, the VCGLR. The focus of the GRA is to take a socio-economic approach in balancing community impacts of gambling in Victoria.

Gaming venue operators must apply to VCGLR for approval to operate new gaming activities or if gaming activities at the venue changes (the “gaming licence”). Importantly, VCGLR must be satisfied that ‘the net economic and social impact of approval will not be detrimental to the well-being of the community’xxix. VCGLR must be satisfied that the applicant’s proposed gaming activities either creates positive benefits to the LGA, or neither creates benefit nor detriment.

When there is an application for a gaming licence, Local Government may make submissions to VCGLR to address the “economic and social impact of the proposal on the well-being of the community”xx. Council must make their submission within 60 days from the date it is notified of the application. Extensions of up to 30 days may be granted if there are ‘exceptional circumstances’, including:x

- an unforseen and unavoidable turnover or loss of key staff;
- an unforseen event occurs, i.e. bushfire, flood;
- an unforseen change in the circumstances of the relevant area materially affects the accuracy and/or contents of Council’s submission, i.e. a venue suddenly closing, requiring Council to substantially re-assess its position.

Matters not considered ‘exceptional’ include:

- extensions to meet Council’s meeting schedule;
- staff leave or absence;
- Public Holiday closure.

In theory, this avenue of submissions is very valuable for Council to advocate their position of minimising the negative, and the maximising the positive, health impacts of gaming in Monash.

In practice however, the following barriers exist to hinder Council from meaningfully advocating their position:

- VCGLR requires submissions to be supported by rigorously tested evidence. Compiling such a submission in the normal 60 day period casts significant pressures on Council resources and does not take into account Council meeting cycles.
• Council’s submission is only a relevant consideration for VCGLR and there is no guarantee that it will be accepted. There are costly appeals avenues following a VCGLR decision.

• Of 38 applications by venue’s to the VCGLR between 1/1/2011 to 5/2/2012, 21 applications were opposed by Council. Of these 21 oppositions, only one Council was successful, being the Rural City of Benalla. In summary, the VCGLR approved 37 of 38 applications it received over this 13 month period.

Given the mature state of gaming establishments in Monash, applications for licences and increased EGMs are minimal however Council can expect to see applications from venue operators post August 2012 in regards to EGM movement in the municipality.

7.1 State Tax/Revenue Received from Gambling

In 2010/11 the State Government received $1.64 billion in taxation levies across all forms of gambling in Victoria.

The revenue raised specifically from EGMs in 2010/11 was $875 million, equivalent to 52.6% of the gambling tax revenue and 1.7% of the total state revenue. Gambling operators are also required to pay $4,033 per EGM to the government, specifically to the health benefit levy, which equated to $125.8 million.

Tax Revenue for Gambling in Victoria 2010/11 $m

In Victoria, for the period 2010-2011, total gambling expenditure was $5.2 billion with EGM expenditure accounting for a total of $2.6 billion or 51% of Victoria’s total gambling expenditure (note, this does not include Crown’s EGM expenditure as a breakdown of EGM vs. table expenditure is not available)
In August 2012, a new tax system will apply to the new industry arrangements, which will result in an increased profit for venues by removing the current additional level of licence owner being Tabcorp and Tattersalls. Currently the distribution of gaming revenue is approximately a third each to the State, the licence owner and the venue, after August this arrangement will be closer to a 50:50 split between the venue and the State. Different thresholds and rates apply as per the table below;

**Table 1: Tax Thresholds and Marginal Tax Rates (applicable from August 2012)**

<table>
<thead>
<tr>
<th>Thresholds (average monthly revenue per machine)</th>
<th>Marginal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 - $2,666</td>
<td>Hotels 8.33%</td>
</tr>
<tr>
<td></td>
<td>Clubs Tax Free</td>
</tr>
<tr>
<td>$2,667 - $12,500</td>
<td>50.83% 42.5%</td>
</tr>
<tr>
<td>$12,501+</td>
<td>58.33% 50%</td>
</tr>
</tbody>
</table>


The new progressive tax structure is per machine, which means that the State Government may or may not increase their tax revenue from gaming machines under this structure. As can be seen in Table 2 above, low performing machines do not pay any tax to the State Government directly, with hotels only required to pay the Community Support Fund (CSF) levy of 8.33%. The health benefit levy of $4,333 per machine will be abolished.

The CSF is a statutory fund administered by the Department of Community Planning and Development. CSF funds are either distributed to government departments and public bodies as grants, or to private sector community groups through an application process.
bulk of this revenue is diverted to hospitals and community infrastructure and is not necessarily put back into the community where the loss occurred, which is a cause of significant discontent.

The Auditor General’s 2009 report Management of the Community Support Fund noted that in order to improve assessment of the efficacy of the CSF, there must be more clear objectives to be served by the fund, and greater transparency in allocation of the monies.

Clubs however, receive a discounted rate of taxation on gaming revenues to allow them to invest back into their communities. Clubs are required to declare how they have spent the income earned from EGMs to help their local community by submitting a Community Benefit Statements (CBS). Clubs are required to spend 8.33% of the income earned for community purposes.

A ‘community purpose’ falls into three broad classes:\cite{source}:

- Donations, gifts and sponsorship
- Capital expenditure, financing and operating costs
- CBS preparation costs, reimbursement of volunteer expenses, responsible gambling measures

Currently, the laws regulating the CBS allow clubs to claim expenses that benefit primarily their members and the club as a ‘community purpose’. A definition of what is a ‘community benefit’ has long been debated in regards to a Clubs donation to its community. According to the PLANET guide, less than 1% of net revenue on an EGM is directed to benefits to the wider community.

Recent research commissioned by Uniting Care Australia found that “community benefits claimed by EGM operators do not offset these negative impacts to any serious degree, if at all. The amounts expended on community benefit purposes appear to be large only if they are reported without reference to the total losses on poker machines in that location. Poker machines thus provide an extremely inefficient and high cost method of funding community sporting and charitable activities”\cite{source}.

The entitlement changes effective in August 2012, will not impact the contributions of either Hotels or Clubs to the CSF or the CBS.

### 7.2 Entitlements

From 16th August 2012, new gaming license arrangements will be introduced in Victoria, resulting in the duopoly of Tattersalls and Tabcorp as owners of the machines ending. After August 2012, a gaming venue needs an operator licence to operate gaming machines.

The new arrangements will give greater control and greater share of gaming profits to the owners of the venues who will now own and operate the machines. Each entitlement provides a licence to operate a single EGM for 10 years.
From enactment of the amendment in 2009, auctions were held by the State Government to grant EGM entitlements to venue operators. The average price paid for each entitlement was $31,000.00 for clubs and $39,000.00 for hotels\textsuperscript{xxv}. There is widespread discourse that the price paid for EGM entitlements, on average, are quite low relative to the average economic benefits expected to be generated from each EGM\textsuperscript{xxxvi}.

The current ‘Regional Capping’ system will continue to operate (refer to Appendix 3).

However, relevant additional requirements commencing 16 August 2012 which will affect all entitlement holders include:

- A hotel operator must not own more than 35% of machine entitlements allocated for use by hotels;
- A club operator must not hold more than 420 club gaming machine entitlements and must not operate more than four venues.

Further, the obligations of maintenance, monitoring and reporting for EGMs will fall on venue operators. Previously, these functions were undertaken by Tatts Group and TabCorp. Venue operators will be required to link their gaming machines to the monitoring system and pay a fee for this service.

Currently the number of entitlements that have been bought in the City of Monash is 977, 13 less than currently operating, as demonstrated in the following table;

<table>
<thead>
<tr>
<th>Venue</th>
<th>Current EGM’s</th>
<th>Purchased Entitlements</th>
<th>Hotel/Club</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALH</td>
<td>431</td>
<td>380 (-51)</td>
<td>Hotel</td>
</tr>
<tr>
<td>Taverner Group(Matthew Flinders)</td>
<td>75</td>
<td>85 (+10)</td>
<td>Hotel</td>
</tr>
<tr>
<td>Waverley RSL</td>
<td>67</td>
<td>94 (+27)</td>
<td>Club</td>
</tr>
<tr>
<td>Clayton RSL</td>
<td>71</td>
<td>71</td>
<td>Club</td>
</tr>
<tr>
<td>Mulgrave Country Club</td>
<td>105</td>
<td>105</td>
<td>Club</td>
</tr>
<tr>
<td>L’Unico Hotel</td>
<td>28</td>
<td>28</td>
<td>Hotel</td>
</tr>
<tr>
<td>Melbourne Football Club (Leigh Oak)</td>
<td>92</td>
<td>92</td>
<td>Club</td>
</tr>
<tr>
<td>Hawthorn Football Club (Vegas at Waverley Gardens)</td>
<td>75</td>
<td>75</td>
<td>Club</td>
</tr>
<tr>
<td>Monash Hospitality (Forester Arms)</td>
<td>46</td>
<td>46</td>
<td>Hotel</td>
</tr>
<tr>
<td>Greyhound Promotions</td>
<td>0</td>
<td>1</td>
<td>Club</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>990</strong></td>
<td><strong>977</strong></td>
<td></td>
</tr>
</tbody>
</table>
It is anticipated that Council will see shifts in EGM placements throughout the municipality post August 2012, however it is not yet known which machines will be taken out of which venues and if and when venues will apply to the VCGLR to increase the number of EGMs.

The Victorian Auditor-General’s report on the Allocation of Electronic Gaming Machine Entitlements was released in June 2011. The report found that large gaming operators, and not the community, were the main beneficiaries of the auction. The allocation of the EGM entitlements was achieved within very tight timelines but the report found that the project ‘failed to achieve a satisfactory financial outcome and there were serious shortcomings in the project management. The revenue obtained from the sale of the entitlements was around $3 billion less that the assessed fair market value of these assets’.

7.3 Removal of ATM’s in All EGM Venues in Victoria

The State Government have implemented a ban on ATM’s being located within a gambling venue which comes into effect on 1st July 2012;

Under the Gambling Regulation Amendment (Licensing) Act 2009, which amends the Gambling Regulation Act 2003 (the Act);

Venues cannot provide, or allow another person to provide, access to ATMs within approved gaming venues effective from 1 July 2012. Under section 3.5.33C of the Act ATMs are not permitted within an approved gaming venue, including:

- within an approved gaming venue premises
- on the exterior walls of an approved gaming venue
- on any land that is owned or leased by the gaming venue operator on which the gaming venue is located
- on any car park owned or operated by the venue operator that is used primarily by the gaming venue patrons

The rules for casinos and gaming venues located on racecourses are different. ATMs are not permitted within:

- the gaming area
- 50 meters walking distance of the entrance to a gaming machine area or casino

The Victorian Government announced in January 2012 that it will introduce new laws to extend the ban on ATMs in gambling venues to apply to any cash access device that does not require the customer to interact with venue staff before withdrawing cash. This was in response to indications that new cash dispensing machines were being marketed to gaming venue operators, ahead of the ban on ATMs coming into effect.

7.4 Victorian Responsible Gambling Foundation

Elements of the Victorian Government Pre-election gambling policy platform included the establishment of a Victorian Responsible Gambling Foundation (the Foundation), funded by $150 million from the Community Support Fund. The Foundation is due to commence in July 2012.
The Victorian Responsible Gambling Foundation Bill 2011 establishes the Foundation and amends the Gambling Regulation Act (2003). The functions of the Foundation will include:

- To undertake preventative and other activities to address determinants of problem gambling;
- To conduct education and information programs –
  - To promote responsible gambling behaviours; and
  - To increase community awareness of the risks associated with gambling; and
  - To encourage people to seek help in relation to problem gambling;
- To provide treatment, counselling services and intervention services in relation to problem gambling;
- To provide information and advice in relation to –
  - Issue or grant of licences, permits, approvals, authorisations, registration or allocations under gambling legislation; and
  - Regulation of gambling under gambling legislation;
- To provide information to enable persons to make submissions to and participate in inquiries and public consultations relating to gambling;
- To undertake research and evaluation activities related to its functions and objectives

8. Local Government

The overall saturation of EGMs within Monash is a concern to Council. The municipality has 6.97 EGMs per 1000 adults compared to that State average of 6.19. Monash hosts the highest number of pokies per local government area in the metro area (1000) and had the third highest expenditure in Victoria of $122,053,303.67 in 2010/11. (Refer to Appendix 4 for an Eastern Metropolitan Comparison)

**Table 2: City of Monash Expenditure 2010/2011**

<table>
<thead>
<tr>
<th>Venue</th>
<th>EGM</th>
<th>2010-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAPPED AREA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clayton RSL</td>
<td>71</td>
<td>$3,721,754.01</td>
</tr>
<tr>
<td>Forester Arms Hotel</td>
<td>46</td>
<td>$5,784,513.19</td>
</tr>
<tr>
<td>L'Unico Bar &amp; Bistro</td>
<td>28</td>
<td>$5,065,335.43</td>
</tr>
<tr>
<td>Leighoak</td>
<td>92</td>
<td>$6,672,182.63</td>
</tr>
<tr>
<td>Matthew Flinders Tavener</td>
<td>75</td>
<td>$13,380,825.51</td>
</tr>
<tr>
<td>Monash Hotel</td>
<td>50</td>
<td>$6,905,390.28</td>
</tr>
<tr>
<td>Oakleigh Junction Hotel</td>
<td>46</td>
<td>$5,355,905.83</td>
</tr>
<tr>
<td>The Vale Hotel</td>
<td>56</td>
<td>$8,743,070.84</td>
</tr>
<tr>
<td>Vegas at Waverley Gardens</td>
<td>75</td>
<td>$11,688,278.95</td>
</tr>
<tr>
<td>Village Green Hotel</td>
<td>79</td>
<td>$14,142,300.89</td>
</tr>
</tbody>
</table>
The spread of EGMs and venues across the City of Monash is disproportionately weighted towards our suburbs of least advantage, including Clayton, Oakleigh, Mulgrave, and Ashwood. The number of EGMs available in this region of Monash was capped in 2006. (See Appendix 2)

Of the 15 venues in Monash, 10 (66%) and 673 EGMs (67%) are located in this capped region, giving residents in these suburbs a higher accessibility to EGMs. The location and density of EGMs in vulnerable and socially and economically disadvantaged areas is of continuing concern. Approximately 70% of Monash EGM expenditure is lost within the capped region as shown in the table above.

### 8.1 Council Addressing Problem Gambling

The City of Monash has demonstrated significant commitment over the years to tackling the issue of problem gambling.

Council has advocated on its communities behalf to the VCGLR opposing applications to increase the number of EGMs at various venues and prepared numerous submissions advocating for change in the gambling forum.

Council continues to convene the Monash Responsible Gaming Taskforce which has been in existence for more than 10 years. Its membership comprises of Council, local service providers, church groups, industry and venue managers. The Taskforce has a common understanding that it will work on projects and initiatives that help to decrease the impact of problem gambling on the community. Currently Council is trying to encourage more venue managers to attend the meetings and is primarily focusing on information sharing and increasing venues capacity and awareness of local community groups and organisations. The group meets 6 times per year at various venues throughout the municipality.
Council is engaged with the Inner East Primary Care Partnership (IEPCP) and participates in the Problem Gambling Steering Group subcommittee. The role of the IEPCP is to strengthen communities in the EMR so that they are less vulnerable to problem gambling. The IEPCP works in partnership with member agencies and partners to increase capacity and work towards this goal. The problem gambling project has a focus on social determinants of health and aims to address social isolation. The priority population groups within this project are; International students, young people and those who are at risk of social isolation.

Council also supports Responsible Gambling Awareness Week by partnering with other local community agencies and promoting a harm minimisation message.

There are a range of local projects that Council is involved in, in particular the ‘Betting on a Better Life’ project which is based in the Ashwood/Chadstone area and promotes recreational and social activities that people can participate in as an alternative to gambling. Examples of activities that have been facilitated include; dance workshops, creative art therapy, storytelling and a positive lifestyles program.

8.2 Council Regulation - Permits

Venue operators must apply to Council for a planning permit whenever they wish to ‘install or use’ EGM’s. This applies to applicants wishing to establish a new gaming venue as well as existing venues wishing to increase their EGM count.

The key policy instruments in this area are the Planning and Environment Act 1987 (P&EA), and the Monash Planning Scheme (MPS). The focus of both instruments, in contrast to the GRA, is to consider the impacts of gaming from a geographic and urban planning perspective.

The primary control of the MPS relating to gaming is Clause 52.28. Under this provision, a planning permit is required to install or use gaming machines. The purpose of this clause is:-

- To ensure that gaming machines are situated on appropriate locations and premises.
- To ensure the social and economic impacts of the location of gaming machines are considered.
- To prohibit gaming machines in specified shopping complexes and strip shopping centres.

The Schedules to this Clause prohibit the installation of gaming machines within all existing shopping complex’s and strip shopping centres within Monash, excluding venues that already have gaming machines.

From a Strategy and Policy perspective the Municipal Strategic Statement (MSS) of the MPS references gaming as follows:

- **Clause 21.06-2 (Activity Centres – Key Issues)**
  notes that there is concern about the negative impact of gaming machines, particularly in lower socio-economic areas given their proliferation in Monash;

- **Clause 21.06-3 (Activity Centres – Objectives, strategies and implementation)**
  includes an objective to minimise harm experienced by the community from electronic gaming machines; and provides that Council will use policy and the exercise of discretion to take into account the number, location and distribution of gaming machines and their social
and economic impact on the community when consideration applications for additional machines through the Victorian Commission for Gambling Regulation; and provides that Council will use Clauses 52.28 to prohibit new gaming facilities in identified shopping complexes and strip shopping centres.

- **Clause 21.06-4 (Reference documents)**
  lists the Monash Responsible Gaming Action Plan 2005 – 2007 as a reference document to the MPS.

A number of Planning Schemes in the metropolitan area include specific policy statements concerning gaming.

A local policy incorporated into the Planning Scheme on gaming can undoubtedly be an important consideration in the exercise of a Council's discretion under Clause 52.28. There is a significant body of commentary and guidance from Planning Panels and VCAT which indicates that local policies on gaming can have an important role in guiding the exercise of discretion and making a positive contribution towards harm minimisation.

However, the ability of a local policy to influence the outcome of a permit application to increase the number of electronic gaming machines on an existing site is less certain. There is some evidence to suggest that this is a matter than can be influenced through local policy.

There is, however, limited VCAT commentary on this issue. Furthermore, a common view is that assessments under the planning framework should primarily focus on locational issues, whilst economic and social issues are the jurisdiction of the GRA. In addition to this, as with any local policy, it must be borne in mind that local policy can only be used to guide discretion in a balanced way having regard to all relevant planning policy and circumstances of the case – it cannot mandate outcomes.

In the circumstances of Monash, where the distribution and location of EGMs is largely determined, it is considered that the scope of influence that an additional local policy could play in the exercise of discretion under Clause 52.28 could be limited.

### 8.3 Consultation - Survey Results

Council undertook an extensive consultation process during November and December 2011 to inform the direction of the Monash Gambling Policy.

A total of 391 people completed the ‘Have your say on Gambling in Monash’ survey which was available online and at various community centres and facilities throughout Monash (refer to Appendix 5). Council also participated in one on one interviews with Gambling Venue Managers (EGM), Gamblers Help East, Council staff and various community organisations to ascertain issues associated with gambling and expectations of Council’s role in the problem gambling arena.

The community survey highlighted to Council the importance of advocating to reduce the harm caused by problem gambling, protecting its vulnerable communities and the growing
concerns that the community held in regards to other forms of gambling, especially online gambling.

The community survey provided Council with a clear mandate relating to its role in promoting harm minimisation. Whilst many also noted that Council’s capacity was limited due to State and Federal legislation, it was encouraging to note that many considered Council’s role as a advocate and educator on the realities of gambling in the community.

8.4 Community Wellbeing and Vulnerable Communities

There is no distinct profile of a problem gambler. There are, however certain risk factors that have been identified through various research which relate to people who may be more likely to begin using EGMs, or people who, as a result of their circumstances (for example low income earners), are impacted upon more severely once they develop a problem.xxx

Rates of problem gambling in Australia, among adults, is 0.7% of the population and 1.7% for moderate risk gambling. This is exceptionally high when compared to other harm rates such as hospitalisation for traffic accidents (0.15%) and heroin use (0.2%). xxxi

There is strong evidence, as presented by the Productivity Commission 2010, that gambling can have adverse health, emotional and financial impacts on many more people than those categorised as ‘problem gamblers’. The Responsible Gambling Advocacy Centre states that for every person with a gambling problem another seven people are affected, conservatively this results in problem gambling affecting over 10% of the Victorian population.

The Monash Public Health and Wellbeing Plan 2010-2013 outlines Council’s commitment to improving the health and wellbeing of the community. The plan also identifies a range of vulnerable groups including the elderly, people living with a disability or mental health condition, CALD communities, youth, single parent families, those suffering from drug and alcohol abuse, people of low socio-economic status, those living in rooming houses and international students. The plan further identified the areas of Clayton, Ashwood and Chadstone as areas of most vulnerability. It is these vulnerable groups that Council needs to consider in its decision making regarding gambling opportunities and effective harm minimisation strategies.

Much of what is known about multiple disadvantaged and vulnerable communities also applies to those who develop or are at risk of developing problems with gambling. Factors known to be associated with vulnerability to problem gambling include.xxxi;

- Loneliness, isolation, lack of community connectedness
- Social exclusion, disadvantage, marginalisation
- Intellectual or educational disadvantage
- Low income, financial insecurity
- Being in a primary carer role
- Other forms of addiction e.g. smoking
- Being in a social milieu where people gamble on EGMs and
- Being young and having parents or family members who gamble
Problem gamblers are much more likely than the non-problem gambler to have experienced significant life events in the last year including divorce, death of someone close to them, major change to financial situation, illness or injury, legal difficulties or trouble at work.

High accessibility to gaming machines is associated with high levels of harm and addiction and also compromises gambling venue staff who are six times more likely to become problem gamblers than the general population, and 15 times more likely to undertake moderate risk gambling.\textsuperscript{xxiii}

The harms from problem gambling include suicide, depression, relationship breakdown, lowered work productivity, job loss, bankruptcy and crime. The Productivity Commission Report (2010) included evidence from a 2008 survey that found that gambling was the most common motivation for fraud and that the average loss was $1.1 million per incident;

\begin{itemize}
  \item Gaming machines are associated with one in five suicide attempts.
  \item Gaming machines are strongly associated with crime (second most frequently associated behaviour after drug use in robberies, theft and fraud offences).
  \item On average low income households spend more than twice as much as high income households, as a percentage of their income on gambling.
  \item People with high gambling loses report significantly poorer physical health, mental health, relationships, feelings about self, quality of life, satisfaction with life, living standards and study performance.\textsuperscript{xxiv}
\end{itemize}

Council is well aware that the spread of pokies and venues across the City of Monash is disproportionately weighted towards Monash suburbs of most disadvantage, including Clayton, Oakleigh, Mulgrave and Ashwood. The number of EGMs available in this region of Monash was capped in 2006, yet there is still close to 70\% of our EGMs in areas of most disadvantage.

A study conducted by Dr Charles Livingston from Monash University found that EGM placement continues to be correlated strongly with socio-economic disadvantage, despite the introduction of the ‘capping’ initiative. Livingstone states that ‘the gambling industry has apparently chosen to locate its products in areas of relative disadvantage. The strong relationship between availability of the product and its level of consumption suggests that this strategy enhances gambling revenue’.\textsuperscript{xxxv}

UnitingCare Australia funded a research project conducted by Dr Livingstone in 2011 titled “Assessment of poker machine expenditure and community benefit claims in selected Commonwealth Electoral Divisions”. This research collected and analysed data at the Commonwealth Electoral Division (CED) level to calculate the total poker machine losses within 41 CEDs, the amount spent per poker machine and per adult within the CED, the median individual income, the value of claimed community benefits within the CED, and the proportion of median individual income spent on poker machines within each CED. The CED of Hotham was included in this report which encompasses the suburbs of Oakleigh South, Clayton South, Clarinda, Springvale South, Hughesdale, Dingley, Murrumbeena and Heatherton.\textsuperscript{xxvi}
Analysis of the 41 CEDs included in the research indicates, consistent with other studies that poker machine losses tend to be higher in communities with lower incomes. At the CED level, those communities with lower incomes also tend to have higher numbers of poker machines, a factor that is also associated with higher average losses. These associations are statistically significant.

As only a minority of the adult population actually use poker machines (between a fifth and third of adults, according to the Productivity Commission) the researchers used estimates of actual poker machine usage rates, to calculate estimates of the level of losses per user. Of the 41 CEDs examined, it was found that more than half have user losses at levels greater than 10% of median individual income. These calculations indicate that poker machine users in Blaxland (NSW) expended more than $7,000 p.a., or more than a third of median individual income, on poker machines in 2011. In five other CEDs examined, user losses were also estimated to exceed 20% of median individual income. These were: Maribyrnong (Vic), Banks (NSW), Bruce (Vic), Richmond (NSW), and Hotham (Vic)xxxvii.

8.5 CALD Communities and International Students

A number of studies have showed that rates of problem gambling may be higher for culturally and linguistically diverse (CALD) communities compared with the mainstream population, this is pertinent research for the Monash municipality which has a high number of residents born overseas (40%) and a large proportion born in non-English speaking countries (34%). Respectively 38.6% of the Monash Community speak a language other than English at home and 12.5% speak English not well or not at all.

A study completed in 2000 by Thomas and Yaminxxxviii found that although CALD communities had lower rates of overall participation in gambling than the general community, higher incidences of problem gambling were observed in the CALD communities.

It has also been found that international students have a greater risk of developing gambling related problems than domestic studentsxxxix. International students usually have an availability of large sums of money that family has provided to them to fund their living and studying expenses and students have often never had access to this amount of money before and can often feel temptation to spend it on various forms of entertainment.

Anecdotal evidence from Gamblers Help East, Monash University and local community groups indicate that the CALD community and International students population are at high risk of developing a problem with gambling, however Council needs to undertake a rigorous local research study to make informed decisions on how best to address this area of concern.

9. Conclusion

The Monash Responsible Gambling Strategy will inform and guide Council’s decisions in regards to EGM’s and gambling in the Monash community and will assist Council in its overall goal and long term commitment to reduce the negative impacts of gambling, both current and potential, on the Monash community.
ATTACHMENT 1 – Other Forms of Gambling

**WAGERING (RACING & SPORTS BETTING)**

Wagering in Victoria consists of the following;

- On course bookmakers – licensed by the VCGLR. Bookmakers offer fixed odds and provide wagering products such as win and place bets
- Corporate bookmakers – Fully incorporated bookmakers who operate over the phone and internet, and are often listed companies or subsidiaries of listed companies
- Totalisators – Operated by TABs, totalisators do not offer fixed odd bets. All bets are placed in a pool, with the winning bets sharing the pool (minus a percentage take by the operator)
- TABs – refers to the bodies that are exclusively licensed to operate totalisators and to offer off-course retail watering services. TABs in Victoria also offer sports betting and fixed odds betting on races
- Betting Exchanges – similar to a stock exchange, a betting exchange is a market place for punters to trade wagers at difference prices and quantities. A betting exchange matches punters who are seeking to bet that a particular outcome will occur\(^1\)

**LOTTERIES**

There are two public lottery licences operating in Victoria, Tattersalls Sweeps Pty Ltd and Intralot Australia Pty Ltd

- Tattersall’s Sweeps are responsible for Tattslotto, Super 7s oz Lotto, Powerball, Super 66, The Pools and Monday and Wednesday Lotto.
- Intralot Australia are responsible for Keno 10/20/70 (Lucky Keno), Pick 5 Head or Tails, Cross and match (Lucky Lines), TV Bingo (Lucky Bingo Star), Pick 3, Instant Lotto Games (Lucky trix) and Instant Scratchies

Lotteries are regulated by the VCGLR.
ATTACHMENT 2 – Federal Government

Federal elections were held in 2010, subsequent negotiations resulted in Labour forming a minority government with the support of one Greens MP and three Independents, one of which was Andrew Wilkie.

A condition of Wilkie’s support for Labour was a reform of the EGM industry. An agreement was reached between Julia Gillard, as Labour leader, and Andrew Wilkie on 2 September 2010 and notably included:¹

- A mandatory pre-commitment scheme with full implementation by 2014. This scheme will require every EGM player to nominate a limit on their losses or playing time;
- Running tally of losses to be displayed on EGM;
- Maximum daily withdraw limits of $250 for ATMs in gaming venues.

In January 2012, the Federal Government withdrew from their arrangement with Independent MP Andrew Wilkie to introduce legislation regarding the implementation of mandatory pre-commitment systems across Australia, citing a lack of parliamentary support. Andrew Wilkie withdrew his support for the Labour Government as a direct result. At the time of writing, a reform proposal was being put forward, committing to increased warnings on gaming machines, a limit on ATM withdrawals, and all machines to be fitted with pre-commitment technology by the end of 2013. The proposal also recommended a trial on pre-commitment to run in the ACT before implementation.¹
ATTACHMENT 3 – Regional Caps 2001

Regional Caps were introduced in 2001 and were the State Government’s response to community concern about the high concentration of EGMs in local areas with high disadvantage. The capped regions cover municipalities (in full or part) that are considered to be most at risk of problem gambling, based on a high level of disadvantage, significant density of EGMs and relatively high levels of EGM losses.¹

Under the revised Regional Caps Policy introduced in 2006, 19 regions, of which parts of Monash are included, have been capped at either 10 machines per 1000 adults or at the existing density of the region, whichever is lower. The suburbs of Monash that were included in the Cap are Ashwood, Chadstone, Oakleigh, Oakleigh South, Hughesdale, Huntingdale, Clayton, Notting Hill and Mulgrave.

The remainder of the State not covered by regional caps is subject to Municipal Limits, as determined by the VCGR in September 2009.

A Ministerial direction issued on 18 April 2008 determines the number of machines that can be operated in Victoria and by who;

- The maximum number of EGMs permitted to operate in Victoria is 27,500, excluding those operating in Crown Casino.
- The maximum number of EGMs permitted to operate in Crown Casino is 2,500.
- The maximum number of EGMs permitted to operate in a venue other than Crown Casino is 105.
- At least 20% of EGMs operating in Victoria at any time must be located outside of the Melbourne metropolitan area.
- The number of EGMs operating in Victoria at any time must be equally distributed across clubs and hotels with a 50:50 split.
ATTACHMENT 4 – Eastern Metropolitan Region

The municipalities surrounding the City of Monash include: Whitehorse, Knox, Manningham, Boroondara, Yarra Ranges and Maroondah. Each of these Councils is at various stages of updating policies, amending planning schemes and addressing problem gambling in the community.

In comparison to the other 6 Councils, the City of Monash has a far greater EGM loss and loses more on EGMs than Whitehorse, Yarra Ranges and Boroondara combined.

Electronic Gaming Machine (EGM) data, 2010-11 – Eastern Metropolitan Region

Monash also has the highest net expenditure than its counterparts and the highest number of EGMs.

Electronic Gaming Machine (EGM) data, 2010-11 – Eastern Metropolitan Region

Data Source: VCGLR, 2012, Graph provided by Responsible Gambling Advocacy Centre
The City of Monash has the 3rd highest number of EGMs per 1000 adults with Knox and specifically Maroondah significantly higher, yet our EGM expenditure is almost double that of Maroondah.

Electronic Gaming Machine (EGM) data, 2010-11 – Eastern Metropolitan Region

Data Source: VCGLR, 2012, Graph provided by Responsible Gambling Advocacy Centre
ATTACHMENT 5 – Community Survey

To ensure that the City of Monash completed a comprehensive review of its Monash Gambling Policy 2007, Council undertook an extensive community consultation to determine the views of people who live, work, study or visit Monash about gambling. Council engaged with local service providers, council staff and the Monash community via surveys (available at Council facilities, community centres, libraries, gambling venues), an online survey, one-on-one interviews and focus groups. The information that was obtained during this consultation has informed the development of this document.

The survey was completed by 261 females (69%) and 118 males (31%), with the majority of respondents finding out about the survey at a Community centre (33%), via an email from Council (29%) or at a gambling venue (20%). Majority of respondents lived in the City of Monash (64%) whilst 36% indicated that they lived elsewhere, identifying Kingston, Dandenong, Knox, Boorondara, Manningham, Glen Eira and Port Phillip as their place of residences.

A good cross section of age demographics was achieved with all cohorts represented, the majority of responses were 18.3% aged 76+ years 26.6 % aged 51-65 years, 21.7% aged 36-50 years, 16.3% aged 26-35 years, 9.3% aged 19-25 years and 1.3% aged 16-18 years.

338 people indicated that they spoke English at home, whilst Greek, Chinese, Italian, Hindu, Singhalese, Spanish and French were also noted as languages spoken at home.

261 people indicated that they were born in Australia, whilst China, India, Sri Lanka, UK, Vietnam, Greece, Italy and New Zealand were also represented. 337 respondents indicated that their nationality was Australian, whilst others nominated Chinese, Indian, Malaysian, UK, and Sri Lankan.

45% of respondents had a Bachelor degree or higher, which is much higher than the Monash average of 25% and 40% had achieved their VCE, a Certificate or a Diploma.

The majority of respondents (40%) were living with a partner whilst 28% were part of families with two parents. Interestingly 45 respondents (13%) lived as part of a shared house arrangement, whilst 17% lived alone.

It is widely accepted that there is a range of gambling opportunities available to our community such as EGMs, online casino, online sports betting etc. Nearly half (47%) of the respondents indicated that they gamble, with the majority gambling less than once per month (61%). 45 respondents indicated that they gamble once or more per week. The Productivity Commission Report on Gambling 2010 found that the risk of problem gambling increases significantly with the frequency of playing EGMs. The Commission estimates that among those who play weekly or more on gaming machines, around 15% are problem gamblers with an additional 15% at moderate risk).

Respondents were asked to consider a range of gambling activities and their association with problem gambling. 88% of respondents believed that pokies/gaming machines are associated with problem gambling, followed by online sports betting (48%), online
casino/poker games (47%), TAB/Horse/Greyhound racing (46%), smart phone apps betting (29%), lottery/scratchie (19%) and card games/mah-jong for money (13%).

Respondents were provided with a series of statements about gambling and were asked to indicate whether they agree or disagree with each of the statements.

- 85% of respondents believe that gambling is dangerous for family life,
- 68% of respondents believe that on balance gambling is not good for society
- 89% of respondents believe that there are too many options for gambling now days
- When asked if most people who gamble do so sensibly 44% agreeing with this statement and 45% disagreeing with the statement
- 79% agree that gambling in Australia should be more tightly regulated
- 79% agree with the statement that people should pre-commit to a maximum spend before gambling on pokies
- 70% agree that pokies should have a $1 maximum bet (maximum loss of $120 per hour)
- 89% agree that credit card use for online gambling should be banned

55% of respondents knew someone who had been harmed by gambling, specifically by pokies/gaming machines (79%), TAB/horse/greyhound racing (33%), online casino/poker games (19%) and online sports betting (18%). Of these respondents only 36% spoke to someone to get this person help. Places that people turned to for help included gamblers help, local church groups and family.

52% of respondents indicated that gambling had an overall negative impact on their sense of health and well being, yet 39% indicated a neutral impact on their overall sense of health and well being.

75% of respondents indicated that pokies were harmful or very harmful to the community and 86% indicated that online gambling was harmful or very harmful to the community.

Respondents were invited to list suggestions that Council could implement to assist with minimising harm from gambling, these included:

- Education and awareness
- Council to impose spending limits on machines
- Supporting a Pre-commitment program
- Advocacy to the State & Federal Governments
- Less machines in the municipality
- Less venues in the municipality
- Banning EGMs all together
- ATM – limiting withdrawals and removing ATMs from venues
- Reducing the operational hours of venues
- Providing alternative recreation

Council is limited in its capacity to influence the number of machines and venues within the municipality; however Council can commit to assessing each new application for EGMs on its merits and remain committed to protecting its vulnerable communities.
The survey response has provided Council with a clear mandate relating to its role to promote harm minimisation. Whilst many noted that Councils capacity was limited due to State and Federal legislation it was encouraging to note that many considered Council’s role as a community advocate and an educator on the realities of gambling. Council is in a position to fulfil this role and to further advocate on behalf of our community to State and Federal Governments to ensure that the Monash communities’ voice is heard.

**Venue Managers**

Council met with 14 of the 15 gambling venue Managers to discuss their measures for problem gambling, the positives of EGMs and venues and their expectations of Council and the Monash Responsible Gaming Taskforce.

The Monash Responsible Gaming Taskforce was seen as a positive for the smaller venues to attend and probably even more important for information sharing post August 2012. It was suggested that the MRGT could meet directly after the Monash Liquor Accord meeting as it is the same people who attend both meetings and will therefore increase attendance.

All venues implemented responsible gambling measures, as dictated by the VCGLR. These include regular staff training with Gamblers Help, implementation of the self exclusion program, visible clocks etc.

A number of the venues believed that having long term staff at their venues also assisted with identifying ‘problem’ gamblers. The advertising of alternative recreation opportunities at their venue was viewed as a means to providing people with alternatives to gambling.

Venue managers believed that there were numerous benefits to having EGM in venues, namely the entertainment and social aspect, employment of staff, sponsorship and donations to local community groups and availability of community spaces.

Venues had the opportunity to discuss what role they believe Council should play in terms of gambling. Many venues indicated that Council had a role in awareness and educating the community and to also advocate to State and Federal Government on the regulation of online gambling. The promotion of ‘gambling responsibly’ to minors (aged 16/17) and ensuring that this message was conveyed to young people was seen as extremely important.

Community groups that were identified by venue managers to be ‘at risk’ of problem gambling were women, CALD groups, older adults, young adults, those who were isolated and had low self esteem and those who were not part of any social or community groups. One manager also raised a very good point about what happen to those people who are part of the self exclusion program. The venues are in a position to encourage these people to join community groups and activities and need to equip themselves with the knowledge about what is happening in their local area to assist their patrons at risk.

The venue managers raised a number of times with Council the fact that online gambling is not regulated and the issue that credit facilities are available for use online. This was seen as an area of great concern in the community survey also and lends itself to providing Council with clear direction on advocacy.
The venue managers overall seemed very concerned about problem gambling and many indicated that they did not want problem gamblers at their venue as it was ‘bad for business’. Many venues saw the advantage of promoting alternative recreation and would welcome the opportunity to do so on a regular basis.

**Community Organisations, Service Providers & Council Staff**

Council met with a number of community organisations and service providers. Overall their messages and issues were very similar, that Council’s role has components of education, awareness raising and advocacy.

Issues centred on the potential for people to access gambling websites on Council computers (at libraries, community centres etc), young people and their particular vulnerability to online betting applications on smart phones and reducing the stigma of problem gambling.

It was evident throughout the consultation with community organisations, service providers and Council staff that the potential for problem gambling is one that is continually evolving and is now far greater than just EGM’s. The online component of gambling has the potential to cause a great deal of harm to our community yet as this is not heavily regulated there is little Council can actually do to influence change. The real role that presents in this instance is via education and ensuring Council continues to work in partnership with local service providers to advocate to State and Federal Government.

The issue of problem gambling and CALD groups was also raised as an area of concern and one that many of the service providers are looking at individually. A possible key to influencing change in these communities is to target community ‘leaders’ and discuss with them the importance of promoting alternative recreation and reducing the stigma of asking for help within their community.

One of the positive outcomes of the consultation was the praise that individuals had for the co-location of Gamblers Help offices in Council and community buildings.
END NOTES


ii Pokies Assessments: A how to guide, Victorian Local Governance Association 2012

iii ibid

iv ibid

v ibid

vi ibid

vii ibid


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xii Productivity Commission Inquiry Report into Gambling, Volume 1, Australian Government Productivity Commission, February 2010, pg 7


xiv Ibid

xv Pokies Assessments: A how to guide, Victorian Local Governance Association 2012

xvi Productivity Commission (2010), Gambling, Report No. 50, Canberra, chapter 11

xvii Pokies Assessments: A how to guide, Victorian Local Governance Association 2012, pg 14

xviii ibid

xix Section 3.3.7(1)(c) GRA

xx Section 3.3.6 GRA

xxi VCGR letter to Council dated 1 June 2011

xxii Pokies Assessments: A how to guide, Victorian Local Governance Association 2012, pg 55


xxiv C.Livingstone, C. Kipisaina, A. Rintoul (2012) Assessment of poker machine expenditure and community benefit claims in selected Commonwealth Electoral Divisional, UnitingCare Australia, Canberra


xxvii Ibid


xxix Pokies Assessments: A how to guide, Victorian Local Governance Association 2012, pg 15

xxx Pokies Assessments: A how to guide, Victorian Local Governance Association 2012


xxxii City of Yarra Social policy on Gambling Issues & Opportunities paper May 2010

xxxiii Pokies Assessments: A how to guide, Victorian Local Governance Association 2012

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