



Social and Economic Impact Assessment

Darebin RSL Sub-Branch Inc

Bounded by St Georges Road/402 Bell Street/1-3 Arthur Street, Preston

VCGLR Application for an additional 15 electronic gambling machines

DRAFT V2 February 2018

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Acronyms & Definitions

The following acronyms and definitions are used throughout the body of this report:

Acronym	Definition
ABS	Australian Bureau of Statistics
AEs	Attached entitlements: gaming machine entitlements attached to an approved venue by the venue operator owning the entitlements. The number of AEs may be equal to or less than the maximum number of gaming machines permitted to be installed in an approved venue as specified on the venue operator's licence
Decile	A tenth of the data represented. The first decile is the lowest 10% of the data range
Destination venue	A venue that, due to its location, encourages a pre-determined decision to gamble, making it less likely that players will attend venues on impulse alone. Generally located away from everyday activities such as shops, thus avoiding the 'ant trail' mentality, which suggests that having to pass a venue en route to a daily task would more likely cause impulsive or convenience gambling
EGM	Electronic gambling machine
GME	Gaming machine entitlements
Immediate surrounding area	A radial area surrounding the venue
IRSAD	Index of Relative Socio-Economic Advantage and Disadvantage, a gauge used by the Australian Bureau of Statistics (ABS) for measuring a series of advantage and disadvantage indicators for a specified area
IRSD	Index of Relative Socio-Economic Disadvantage. As for IRSAD, but focuses only on the disadvantages
LGA	Local government area, a geographical area under the responsibility of a local government council
Regional cap	Area 7 regional cap sets the Darebin maximum number of attached EGMs to 986
RSG	Responsible service of gaming
RSL	Returned Services League
SEIFA	Socio-economic indexes for areas
SA2	Statistical area, consists of one or more CDs. One or more SA2 make an LGA
Transferred Expenditure	Expenditure transferred from other venues
VCGLR	Victorian Commission for Gambling and Liquor Regulation

Purpose

This social and economic impact assessment has been prepared to support Darebin City Council's objection to the Darebin RSL's planning application to increase its number of EGMs and to extend operating hours of the sub-branch.

Summary of Darebin Council's Objection

The increase in the number of EGMs and the extension of operating hours of Darebin RSL Sub-Branch will likely result in an increase in EGM losses. This is unacceptable to Darebin Council because:

- An increase in EGM losses will increase the level of unnecessary EGM gambling harm.
- The EGM harm generated by this proposal will magnify the existing harms being experienced by the disadvantaged communities in proximity to the Darebin RSL.
- The additional EGMs, combined with the existing provision of an on-site TAB, will more firmly position the Darebin RSL as a one-stop gambling shop.

Council's statutory roles

Section 3.3.6 of the *Gambling Regulation Act 2003* enables local authorities to make a submission to the Commission that addresses the economic and social impact of a proposal on the wellbeing of the community of the municipal district that the premises are located within. This assessment may take into account the impact of the proposal on surrounding municipal districts.

The *Public Health and Wellbeing Act 2008* and *Local Government Act 1989* stipulate that Council plays an important role in promoting and protecting public health and wellbeing, advocating and promoting proposals that are in the best interests of the local community, and exercising functions that facilitate peace, order and good governance of the municipality.

Introductions

In November 2017, Darebin Council received a Planning Permit application for the Darebin RSL Sub-Branch for the following:

1. Buildings and works – a small extension to the net total floor area of the building, internal refurbishment and façade upgrades.
2. Gaming – installation and use of an additional 15 EGMs, increasing the total number of EGMs at the venue from 65 to 80. The existing gaming lounge will be refurbished and a slight alteration to the green line plan is proposed.
3. Liquor consumption – an extension to the red line area to correspond with the revised layout of the RSL.
4. Access to a Road Zone Category 1 – alterations are proposed to the access arrangements to St Georges Road. Currently vehicles are only able to exit the RSL via St Georges Road, whereas the proposal seeks to allow vehicles to both enter and exit via St Georges Road (including signage and installation of business identification signage).

Site Size, Shape & Location

The subject site is a large irregular-shaped allotment on the north-eastern side of Bell Street and St Georges Road, Preston. It has road frontage to Bell Street, St Georges Road and Arthur Street. The site is situated approximately 500m from the Preston Activity Centre and is included within the Preston Central Incorporated Plan.

The subject site is not located on Council owned or managed land.

Background

In 2011, the Darebin and Fairfield-Alphington RSL sub-branches were amalgamated into a premise located at 7 Railway Place, Fairfield, which operated 30 EGMs. Following the closure of the Fairfield-Alphington RSL sub-branch in 2016, 15 of the 30 EGM entitlements were transferred to the Darebin RSL and the other 15 were transferred out of the City of Darebin. The site on which the former Fairfield and Alphington RSL was located has been sold and will be redeveloped for residential purposes.

This social and economic impact assessment deals with the relevant considerations under the *Gambling Regulation Act 2003*. It therefore comments only briefly on the extent to which the proposal aligns with the Planning Scheme and should not be used as the basis for assessing the planning permit application.

Executive Summary of reasons for Darebin Council's objection to the Darebin RSL Sub-Branch Application for an additional 15 EGMs and extended opening hours

- The proposal site is located in a regional cap, which has been recognised by the Victorian State Government as an area vulnerable to gambling-related harms.
- The proposal site neighbours two more regional caps – Moreland and Whittlesea.
- The proposal involves a transfer of EGMs and EGM losses from an area of low to one of high socio-economic disadvantage.
- The proposal involves an increase in EGM losses. Any increase in EGM losses contributes to and is seen as a determinant of harm from gambling.
- The proposal site involves increasing gambling losses by extending opening hours by 27%.
- There has been a large increase in EGM losses at the proposal site relative to the rest of Darebin.
- In practical terms, the venue would operate like a hotel due to the number of EGMs and extended operating hours.
- The harm from EGM losses is exacerbated by the gambling losses generated by the on-site TAB.
- The City of Darebin has a higher density of EGMs per 1,000 adults and EGM losses than metropolitan Melbourne.

- The City of Darebin has the second-highest density of EGMs per 1,000 adults, EGM expenditure per 1,000 adults and level of socio-economic disadvantage compared with adjoining municipalities.
- The 2016/2017 annual EGM losses per adult in the Preston Statistical district (\$869) is \$232 higher than the EGM losses in Darebin.
- There is a great deal of uncertainty with regard to the value (if any) and outcomes of community contributions.
- The total community contribution to the provision of responsible gambling measures and activities excluding those required by law between 2013/14 and 2016/17 is \$0.
- The proposal does not diversify or increase non-gambling activities. On the contrary; it involves an increase in the extent of the green line, a reduction in the existing floor area set aside for recreational purposes.
- The increase in employment is marginal, particularly employment directly associated with the additional EGMs, and furthermore, there is no guarantee that this additional employment will be sourced from the municipality.
- The paid tenure of the welfare officer does not increase the harm minimisation measures as this person is currently operating on a voluntary basis.
- The focus on problem gamblers by the Darebin RSL shifts all the blame to the individual.
 - *Discussions with Gambler's Help Northern are being undertaken independently of this proposal.*
- Venue contributes to convenience gambling due to its proximity to high level of foot traffic coming from:
 - a retail strip in High Street, Preston
 - a commercial/business strip in Bell Street
 - Red Rooster and McDonald's restaurants in Bell Street
 - the high number and density of health and welfare services.

This foot traffic is intensified by generous public transport to the area.

City of Darebin Council Plan 2017–2021

1. One of the six goals in this Plan is to improve the wellbeing of people in the community by providing opportunities for them to live their lives well.
2. One of the actions in this Plan is to reduce the municipality's high level of EGM losses.

The proposal increases the equity gap in Darebin by transferring EGM losses from richer neighbourhoods to poorer neighbourhoods. This will have an immediate negative impact to vulnerable communities and a cumulative effect on intergenerational disadvantage.

Darebin Council policy

The Darebin Electronic Gambling Machine Policy 2018–2022 (Draft) states:

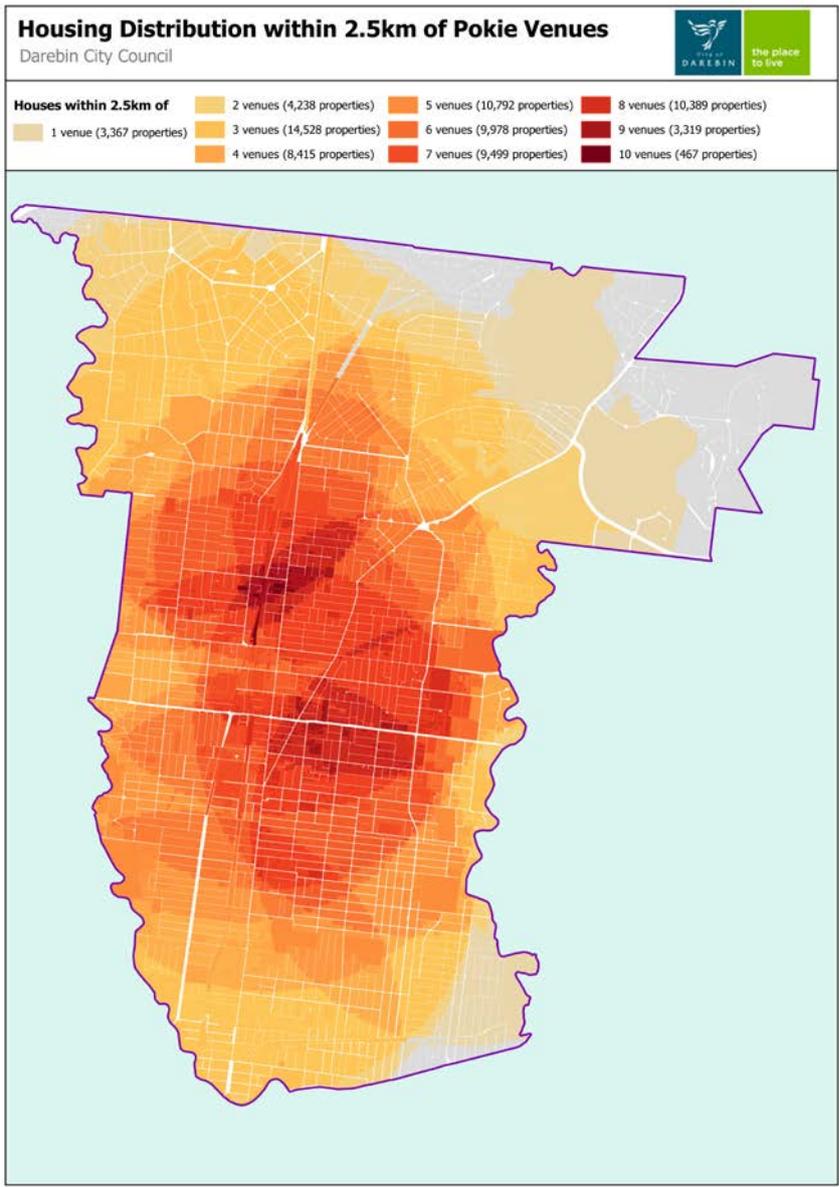
- Council will approval applications for EGMs where this is solid evidence that the application will have tangible and significant community benefit.
- The harms caused by EGMs in clubs are the same as the harms caused by EGMs in hotels.
- In assessing any future proposals for the operation of EGMs in the municipality, applications from clubs will be treated in the same way as applications from pubs and other venue operators.
- The harms resulting from the annual \$80m+ gambling losses from EGMs in Darebin greatly outweigh any perceived benefits.
- The highest losses and the greatest harms occur in areas of highest disadvantage.

Highest concentration of EGMs and EGM losses in Darebin

Venue name	Address	# of EGMS	Type of venue	Total exp for 2016/2017
Cramers Hotel	1 Cramer Street, Preston	79	Hotel	\$9,747,358.40
Croxton Park Hotel	607-619 High Street, Thornbury	54	Hotel	\$5,172,053.75
Darebin RSL	402 Bell Street, Preston	65	Club	\$4,428,871.98
Junction Hotel	1 Plenty Road, Preston	46	Hotel	\$5,873,160.10
Olympic Hotel	31 Albert Street, Preston	80	Hotel	\$10,203,638.80
Preston Hotel	635 High Street, Preston	40	Hotel	\$4,235,668.84
TOTAL		364		39,660,751

The proposal site is surrounded by six other EGM venues, all within a 2.5km radius. The \$39.6m annual losses generated by these venues represents 49% of the total EGM losses in Darebin.

Housing distribution within 2.5km of EGM Venues



Targeting disadvantaged neighbourhoods

Across metropolitan Melbourne, our most disadvantaged municipalities have the highest density of poker machines. This is also reflected in Darebin and is a deliberate strategy of the gambling industry to target disadvantaged neighbourhoods for higher numbers and densities of EGMs.

Source: Browne, M, Greer, N, Armstrong, T, Doran, C, Kinchin, I, Langham, E & Rockloff, M 2017, *The social cost of gambling to Victoria*, Victorian Responsible Gambling Foundation, Melbourne

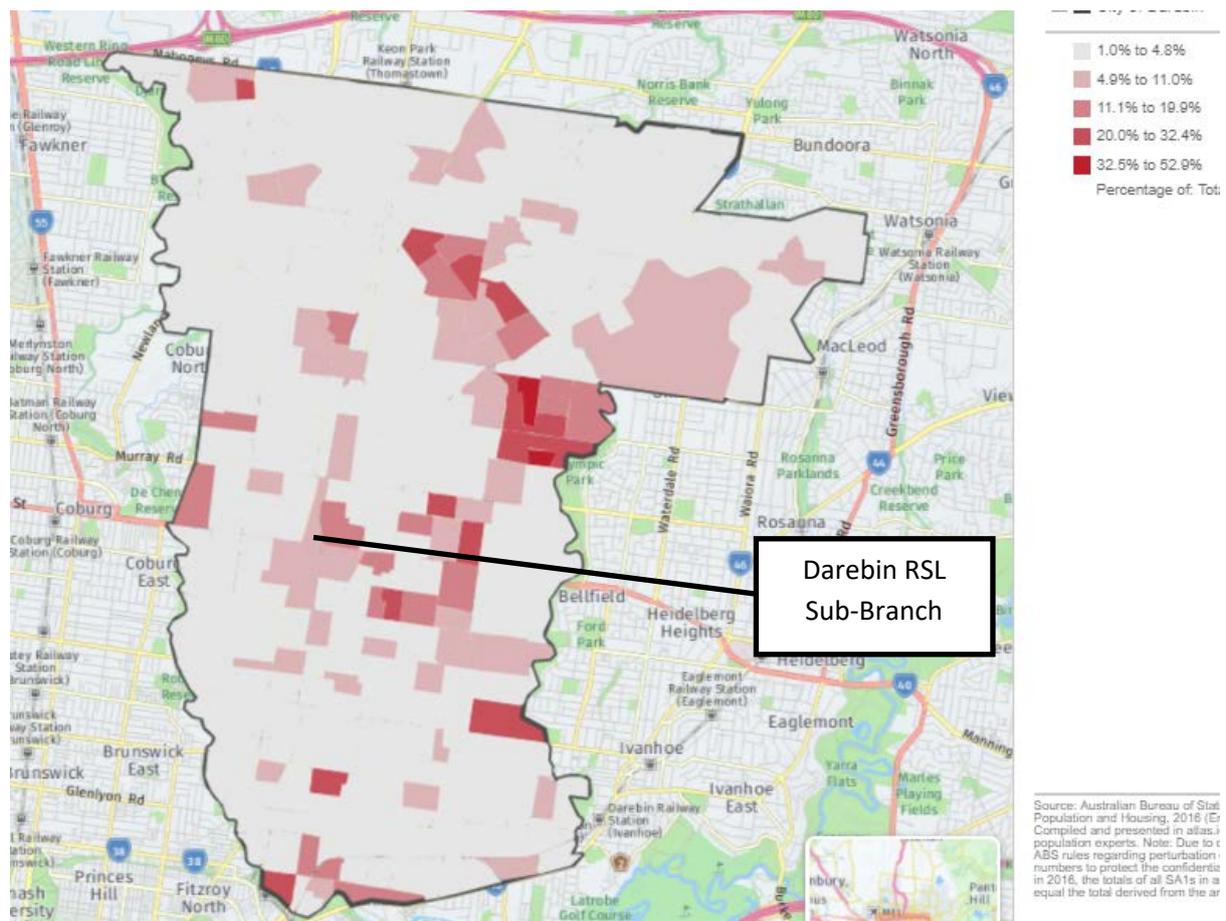
Analysis of key gambling data per statistical local area 2016/2017

	<u>Northcote statistical area (south)</u>	<u>Preston statistical area (north)</u>	<u>Darebin</u>
SEIFA index of disadvantage	1046	966	995
Adults (No. approximate and % Darebin)	46,948 (36.9%)	80,281 (63.1%)	127,229 (100%)
Number of venues (No. and % Darebin)	3 (25%)	9 (75%)	12 (100%)
EGM operating numbers (No. and % Darebin)	134 (18%)	612 (82%)	754 (100%)
Expenditure 2016/17 (\$ and % Darebin)	\$11,344,610 (14%)	\$69,767,649 (86%)	\$81,112,259 (100%)
EGM density per 1000 adults	2.85	7.65	5.9
Expenditure per adult per annum	\$242	\$869	\$637

The proximity of the proposed site to vulnerable communities

Proximity to EGMs elevates the risk for some vulnerable communities. The extended hours of operation in a warm, safe environment increases the likelihood of increased level of player losses from those players least able to afford them.

1. Location of proposal site in relation to concentrations of social housing



Source: i.d consulting

Subject site is surrounded by high levels of public and social housing. The current Victorian State Government's 'Homes for Victorian' strategy has funded a further 68 public housing units to be constructed in Stokes Street and Penola Avenue, Preston, less than 100 metres from the Darebin RSL.

Darebin Council is advocating for the restoration of the 300 public housing units on Stokes Street and Penola Avenue, Preston.

Source:

https://www.vic.gov.au/system/user.../FINAL%20PDF%20DTF046_Q_housing01.pdf

2. The location of proposed site in relation to homeless populations

The current Victorian State Government's 'Homes for Victorian' strategy has funded a homelessness strategy, 'Towards Home', in response to the rise in the number of people sleeping rough in inner-city Melbourne.

Six transitional housing units have been built in Showers Street, Preston, less than 100 metres from the Darebin RSL. A permanent case manager has been appointed by a local mental health agency to provide 24/7 support.

Source:

https://www.vic.gov.au/system/user.../FINAL%20PDF%20DTF046_Q_housing01.pdf

3. The location of proposal site in relation to concentrations of other homeless populations (Bell City)

Advice from the Tenants Union of Victoria indicates that an increasing number of the studios at Bell City Hotel residences are being used as rooming house accommodation. Outreach staff from the Tenants Union of Victoria regularly respond to the increase in the number of residential complaints from neighbours and tenants.

This is exacerbated by the sporadic increase in drug-related anti-social behaviour and police call-outs. There is consistent drug use and dealing behaviour occurring in the GM Mott Reserve opposite Bell City. This is exacerbated by the sporadic increase in drug related anti-social behaviour and police call outs.

Bell City is located about 200 metres from the Darebin RSL.

4. The location of proposal site in relation to concentrations of other vulnerable populations (supported community housing)

The Preston Community hub (137 High Street, Preston) provides housing with support services on site for 25 people with psychiatric and acquired brain injuries.

The housing is managed by Housing Choices Australia, who have partnered with Preston Neighbourhood House, NEAMI (a community-based mental health service) and ARBIAS (acquired brain injury support services) to deliver programs and activities to those tenants and the broader community.

5. Family violence and problem gambling

There is an established link between problem gambling and family violence. Recent international research indicates that people who have significant problems with their gambling are more likely than people without gambling problems to be the victims and perpetrators of family violence (Source: WHIN gambling and family violence fact sheet, 2016/<http://www.whin.org.au/what-we-do/gambling-and-family-violence.html>).

The relationships are complex; however, people with gambling problems are more likely than people without gambling problems to be victims and perpetrators of IPV.

‘There are a number of factors that may contribute to family violence. There is now consistent international evidence that gambling is one of these contributing factors to

intimate partner violence (IPV) and family violence more broadly.iii Research indicates that people who have gambling problems are more likely than people without gambling problems to be victims and perpetrators of family violence.iv The most recent research is from the 2013 Australian arm of a large-scale study of the patterns and prevalence of co-occurrence of family violence and problem gambling in Australia, New Zealand and Hong Kong, which screened 120 help-seeking family members of problem gamblers in a range of clinical services for both family violence and problem gambling. The main results of this study indicated that 52.5 per cent reported some form of family violence in the previous 12 months: 20.0 per cent reported only victimisation, 10.8 per cent reported only perpetration and 21.6 per cent reported both victimisation and perpetration of family violence. They also noted the 'participants reported that problem gambling and family violence were related in over 70 per cent of their problem gambling family members'. *Source: WHIN / NEPCP submission to the Royal Commission into Family Violence;*

6. The location of proposal site in proximity to other sensitive uses and vulnerable populations

The following table provides an example of the range of community, and welfare services in proximity to the proposal site. These services are with two bus stops of the Darebin RSL.

Organisation / Community group	Address	Type of service
The Preston Community Hub	137 High Street, Preston	Social housing with support services on site for people with psychiatric and acquired brain injuries
Good Samaritan Inn Women's Refuge	Preston, address not disclosed for safety reason. Within 1km.	Short-term accommodation for women and children escaping family violence and homelessness.
Advocacy Disability Ethnicity and Community (ADEC)	175 Plenty Road, Preston	Centre based programs for people of non-English speaking background living with a disability, and their carers.
Preston Masonic Centre	382 Bell Street, Preston	Community hall
Parade College	8 Clifton Grove, Preston	Secondary school
Nino Early learning Adventures	365 Bell Street, Preston	Child care centre and kindergarten
Victorian Aboriginal Child Care Agency (VACCA)	340 Bell Street, Preston	Culturally-specific child care

Leukaemia Foundation	1/340 Bell Street, Preston	Holistic support for sufferers and carers
Glenhaven Special Care Facility	100-102 David Street PRESTON	Residential facility for people with acquired brain injuries and other disabilities. Glenhaven is a share house with all single rooms and shared bathrooms. Community access is encouraged and neighbourhood shops are close by.
EACH	232 Plenty Road, Preston	This service provides programs to people with intellectual, physical, acquired brain injury; dual disability or people with complex care needs. People who have funding under Individual Support Packages (ISP), Transport Accident Commission (TAC) packages, National Disability Insurance Scheme (NDIS)
Victorian Aboriginal Health Service (VAHS)	238-250 Plenty Road, Preston	Victorian Aboriginal Health Service (VAHS) was established in 1973 to address the specific medical needs of Victorian indigenous communities. The organisation has expanded steadily over past 40 years to provide a comprehensive range of medical, dental and social services for our community.
PANCH Community Health Service	300 Bell Street, Preston	There are a number of participating organisations whose programs span acute, sub-acute and primary health care. These programs cater for people across the Northern Region, with a

		particular emphasis on Darebin and surrounding areas.
SPECTRUM (Migrant Resource Centre)	306 Bell Street, Preston	Spectrum is a one-stop shop providing various centre based and outreach programs for newly arrived and established migrants and refugees
Sacred Heart Catholic Primary School	Cnr Bell Street and Clifton Street, Preston	Primary school
Preston Neighbourhood House (The Bridge)	218 High Street, Preston	Centre-based programs to overcome disadvantage & social exclusion through skill development, education, social interaction and direct services. The Bridge Preston is a vital part of our community
The Tipping Foundation	263 High Street, Preston	Services for people with disability, especially person-centred disability support services for local communities
Victorian Aboriginal Legal Services Co Op	273 High Street Preston	Aboriginal community-controlled organisation operating statewide in Victoria, providing community justice services and legal practice services to all Victorian Aboriginal communities
Darebin Information Volunteer Resource Centre (DIVRS)	285 High Street, Preston	Mentoring, advocacy and skills training for young people.
Salvation Army Employment Plus	293 High Street, Preston	Employment Plus was established in 1998 by The Salvation Army to help people find work to support their wellbeing

Brotherhood of St Laurence	293 High Street, Preston	Support services under the NDIS
Australian Multicultural Education Service (AMES)	2/293 High Street, Preston	The centre is used to deliver seminars and conferences on issues related to inter-culturalism, film nights aimed to increase cross-cultural understanding, diversity training and English conversation classes with locals
OMNI CARE Support Services	5 Bruce Street, Preston	Provides a range of services to the elderly, disabled or those with serious medical conditions
Matchworks	327 High Street, Preston	Support service for employment and recruitment
Melbourne Polytechnic	St Georges Road, Preston (directly opposite Darebin RSL)	Tertiary education, especially for overseas students

Convenience Gambling

The EGM activity, combined with the on-site TAB, is in a location that has high levels of pedestrian activity, which increases the likelihood of convenience gambling and spontaneous decisions to play.

In particular, the RSL is in close proximity to:

- a retail strip in High Street, Preston
- a commercial/business strip in Bell Street
- Red Rooster and McDonald's restaurants in Bell Street
- a high number and density of health and welfare services

The increased foot traffic is generated by the generous level of public transport that directly feeds the area including the Darebin RSL and the community health and welfare services.

The public transport services in direct proximity are as follows;

Bus routes

- 552 and 553 along High Street, Preston
- 903 and 527 along St Georges Road

- 513 along Bell Street

Tram route

- 96 along High Street

Train

- Bell Station (South Morang line), Bell Street

Community harms caused by clubs

Darebin Council's EGM policy 2018–2022 states that 'The harms caused by EGMs in clubs are the same as the harms caused by EGMs in hotels. Any real community benefits claimed by the clubs are miniscule compared to the benefit to the clubs themselves and do not address gambling-related harms.

For the purposes of this policy, EGMs and EGM operators in pubs and clubs will be treated equally.

There are three clubs that operate poker machines in Darebin in 2016/2017

1. Darebin RSL (65 EGMs)
2. The Furlan Club (30 EGMs)
3. The Reservoir RSL (68 EGMs)

The Fairfield/Alphington RSL closed in 2017.

Legislation regulating the operation of local hotel and club EGM venues in the state of Victoria provides a taxation benefit for club venues in comparison to hotel venues. Under the *Gambling Regulation Act 2003*, club venue operators get a reduction of 8.3% on the gambling tax they pay, compared to hotel venues.

In Victoria, club pokie venues are required to submit an annual community benefit statement to the VCGLR, which demonstrates that they have provided at least 8.3% of their gambling revenue to community purposes. The clubs' claims for the monetary value of contributions to community benefit are published on the regulator's website.

Community benefits claimed by Darebin RSL 2013/14 – 2016/17

The table below shows a comparison of the community benefits claimed by Darebin RSL Sub-Branch 2013/14 to 2016/17 and the actual non-RSL related community benefits claimed.

Financial year	Total community benefit claimed by RSL VCGLR	Total non-club related contributions to the community	% of non-club related contributions to the community
2016/2017	\$1,054,278	\$58,100 (cash and in kind)	5.5%
2015/2016	\$847,178	\$17,100	2.0%
2014/2015	\$1,146,699	\$13,690	1.2%
2013/2014	\$793,574	\$20,635	2.6%

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Total	\$3,841,729	\$109,525	2.8%

As indicated in the table above, the Darebin RSL does not contribute 8% to the broader community. Most of the claims are reinvested back into the operations of the club.

Apart from the one-off \$3,000 contribution to gambling diversion programs, which were reported on in the *Herald Sun* in November 2013, the total contribution by the Darebin RSL to the provision of responsible gambling measures and activities excluding those required by law (Class C (a) CBS Claim form) is \$0.

Source: VCGLR

Monash University undertook a closer analysis of the 559 community benefits statements lodged in 2005/2006 in Victoria. This research showed that only 2.6% were actual funds, gifts or sponsorship provided to the community, despite the claims lodged to the VCGLR. 97.3% of the funds were reinvested into the operations and capital works of the clubs themselves.

The study also showed that 0% was provided for the provision of responsible gambling measures and activities, excluding those required by law.

Source: Livingstone, C and Francis, L 2014, 'Review of Decisions of the Victorian Commission for Gambling & Liquor Regulation: Electronic Gambling Applications – Municipal Association of Victoria [MAV] & Monash University'

The 2010 Productivity Commission's following comment about these arrangements was based on this rather special treatment.

"Some clubs do provide genuine benefits to their communities. Unfortunately, clubs have developed significant poker machine dependency – an average of about 60% of total revenue. Some club representatives may gild the lily in their claims of community support, fearful perhaps of the consequences of more effective harm-minimising regulation or fairer taxation."

Source: Productivity Commission; 'Report No.50 Canberra 2010'. Definitive two-volume overview of gambling in Australia, looking at its effects and impacts and making recommendations for reform, particularly in relation to harm minimisation.

Problem gamblers

Darebin Council's EGM policy 2018–2022 states that the terms 'responsible gambling' and 'problem gamblers' will not be used by Council, due to the implication that the responsibility or problem lies with the individual.

A recent study commissioned by the Victorian Responsible Gambling Foundation examined gambling harm from a public health perspective. The results indicated that 'low risk' and 'moderate risk' gamblers do experience harm; in fact, they account for 85% of gambling harm in Victoria.

Further, the idea of problem gambling deliberately hides and diminishes the deliberately addictive design of EGMs to promote player dependence and maximise player losses.

Sources:

- 'Hidden Harm: Low Risk and moderate risk gambling'. Background paper. July 2017. Victorian Responsible Gambling Foundation.
- Susan Feldman, Harriet Radermacher, Christopher Anderson, and Marissa Dickins. Victorian Responsible Gambling Foundation - May 2014.
- *KA- CHING: A POKIE NATION* – documentary (<http://kachingfilm.com/watch-film/>)

Prevalence of severe EGM gambling-related problems in Darebin

Estimated number of adults (Selected metropolitan Councils)

Local Government Area	Estimated number of adults	Ranking
Brimbank	6548	1 (Highest prevalence)
Whittlesea	4303	7
Darebin	2968	11
Moreland	2157	20
Banyule	1832	27
Yarra	706	37
Nillumbik	252	55 (Lowest metro prevalence)

Source: ABS: Census Data 2016

The table above indicates that adult residents of Darebin have a high prevalence of severe gambling-related problems.

A major correlative factor affecting prevalence is the saturation of EGMs in Darebin and their neighbourhood proximity.

A Productivity Commission report on gambling in 2010 was clear that gambling leads to financial, family and psychological problems, including crime and suicide. It stated that Australia's 115,000-plus problem gamblers – who are mainly low-income earners – lose a disproportionate amount of money, contributing to 40% of the total cash put into poker machines.

Source:

- Lubman, D, Manning, V, Dowling, N, Rodda, S, Lee, S, Garde, E, Merkouris, S & Volberg, R 2017, 'Problem gambling in people seeking treatment for mental illness', Victorian Responsible Gambling Foundation, Melbourne.
- Victorian Government Department of Justice - September 2009. 'A study of gambling in Victoria – problem gambling from a public health perspective'.

This study is Victoria's first epidemiological study investigating problem gambling and health. Findings from the study are based on a representative sample of 15,000 Victorians who were asked a series of questions in relation to gambling and health.

Saturation of EGMs and proximity to households

The following table shows the saturation and density of EGMs across Darebin. It also indicates the proximity and number of EGMs within 2.5 km of Darebin households (properties).

Current research indicates that the majority of EGM patronage is generated from gamblers who live within 2.5km of a pokies venue.

Number of EGM venues	Number of houses/households within 2.5km of EGM venues
1 Venue	3367 households
2 Venues	4238 households
3 Venues	14,528 households
4 Venues	8415 households
5 Venues	10,792 Households
6 Venues	9978 Households
7 Venues	9499 Households
8 Venues	10,389 Households
9 Venues	3319 Households
10 Venues	467 Households

Concentration of venues within 2.5Kms of primary trading area

Venue name	Address	# of EGMS	Type of Venue	Total Exp for 2016/2017
Cramers Hotel	1 Cramer Street, Preston	79	Hotel	\$9,747,358.40
Croxton Park Hotel	607-619 High Street,	54	Hotel	\$5,172,053.75

	Thornbury			
Darebin RSL	402 Bell Street, Preston	65	Club	\$4,428,871.98
Junction Hotel	1 Plenty Road, Preston	46	Hotel	\$5,873,160.10
Olympic Hotel	31 Albert Street, Preston	80	Hotel	\$10,203,638.80
Preston Hotel	635 High Street, Preston	40	Hotel	\$4,235,668.84
Browns Corner	502 Sydney Road, Coburg	35	Hotel	\$ 2,478,940.35
<u>Total</u>		<u>399</u>		<u>\$42,139,692.22</u>

Community attitude

Note section pending: Metropolis have been engaged to conduct community attitude survey and report which will be incorporated into this submission once received.

Critical review of the social and economic impact statement provided by the NBA Group, prepared for the Darebin RSL

Problem gambling

In support of the proposal, the NBA report quotes the VCAT Deputy President that “*The gaming revenue not attributable to problem gambling is an economic benefit, rather than a loss*” (refer to VCAT Red Dot Decision summary for VCAT Reference No. B47/2012, regarding the Maryborough Highland Society Inc application).

The idea that only ‘problem gambling’ is harmful is simplistic and not based on any data or evidence.

By reducing the act of gambling to a binary idea of ‘good’ and ‘bad’ or ‘problem’ and ‘non problem’ belies the complexity of the issue and the reality of the impact. The act of gambling and gambling harms are better understood as a continuum, where even moderate gamblers can experience moderate harm. A more useful model comes from the health and research data regarding alcohol and tobacco consumption – two similar products to EGMs, designed to create addiction.

Improved venue facilities

The proposed renovations would improve the general quality of the facilities, but would not diversify non-gambling activities and facilities.

The proposed works would result in:

- a reduction in the proportion of the floor area available for non-gambling activities, as it appears as though the size of the sports facility will be reduced
- diminishing the health and wellbeing of RSL members and others by demolishing the pool and squash courts.

By maintaining and upgrading the pool and squash courts, the RSL could provide valuable and much-needed health and social infrastructure for families living in nearby public housing.

Providing additional employment

There are some inconsistencies in the document regarding the potential increase in employment. The application documentation states that direct gaming employment from the proposal could potentially be 7.5 FTE.

However, the NBA SEIS (paragraph 12) provides a breakdown of the additional FTE employees, indicating that only 1 FTE role will be in the gaming room. The remaining FTE positions are distributed as follows:

- one in the reception, back of house and bistro (total three)
- 2.5 in the café area
- 0.5 for a paid welfare officer and bus driver (totalling one).

There is no clear commitment to this level of additional employment or that staff will be sourced from the local community.

Construction works and stimulus to local economy

The \$9.6m investment is considered substantial. However, the application documentation does not indicate that the economic stimulus generated by these works will be of any benefit to the municipality and, again, that staff will be sourced from the local community.

Proposed extended hours of operation and the RSL duty of care

The sub branch is currently open 88 hours per week with a proposal to increase this to 112 hours per week.

The club's duty of care would require at least 2.75 eft in the gaming room to cover the spread of opening hours. This level of active monitoring is particularly important, as most of the non-gambling activities in the local area do not operate the same spread of hours.

Management expertise

The submission states that 'The management of the Sub-Branch have shown excellent knowledge of the RSG practices, implementing all mandatory RSG measures and several non-compulsory RSG measures at the venue to lessen the risk to problem gamblers.'

These are the minimum statutory harm minimisation measures required for all EGM operators and therefore should not be considered a benefit or additional protective factor.

Gambling impacts

The number of people on the Darebin RSL 'self-exclusion register' indicates that there is a significant problem at the Darebin RSL. By extending the operating hours, increasing the number of EGMs and increasing the venue size will contribute to the existing problem.

The proposed welfare office replaces space set aside for recreational purposes and therefore does not constitute an additional harm minimisation program on site. Furthermore, there are inconsistencies in the application documentation.

The statement on page 33 of the NBA Planning Report and references in the NBA SEIS are misleading, as the proposed extensions are primarily refurbishments and rearrangements to the existing gaming venue that, in effect, require and result in a reduction in the floor area and proportion of the venue, allocated to non-gambling activities.

Furthermore, the witness Statement of Mr Russell paragraph 12 states that the new EGMs would not fit into the existing gaming lounge, which needs to be extended while application documentation states that the only reason for the extension of the green line is to accommodate the new foyer.

The presence of non-gambling activities is only considered a protective factor if they operate at the same time as the gaming venue.

Overall the proposal will increase EGM gambling harm because:

- An increase in EGM losses will increase the level of unnecessary increased EGM gambling harm.
- The EGM harm generated by this proposal will magnify the existing harms being experienced by the disadvantaged communities in proximity to the Darebin RSL.
- The additional EGMs combined with the provision of an on- site TAB intensifies the Darebin RSL as a one-stop gambling shop.

Conclusion

The proposal site would increase unnecessary levels of harm to the local community and the broader City of Darebin because:

- The proposed site is located in a regional cap which has been recognised by the Victorian State Government as an area vulnerable to gambling-related harms.
- The proposal site neighbours 2 more regional caps – Moreland and Whittlesea.
- The proposal involves a transfer of EGMs and EGM losses from an area of low to an area of high socio-economic disadvantage.
- The proposal involves an increase in EGM losses. Any increase in EGM losses contributes to and is seen as a determinant of harm from gambling.
- The proposal site involves increasing gambling losses by extending of the opening hours by 27%.
- There has been a large increase in EGM losses at the proposal site relative to the rest of Darebin.
- In practical terms, the venue would operate like a hotel due to the number of EGMs and extended operating hours.
- The harm from EGM losses is exacerbated by the gambling losses generated by the on-site TAB.
- The City of Darebin has a higher density of EGMs per 1,000 adults and EGM losses than metropolitan Melbourne.

- The City of Darebin has the second-highest density of EGMs per 1,000 adults, EGM expenditure per 1,000 adults and level of socio-economic disadvantage compared with adjoining municipalities.
- The 2016/2017 annual EGM losses per adult in the Preston Statistical district (\$869) is \$232 higher than the EGM losses in Darebin.
- There is a great deal of uncertainty with regard to the value (if any) and outcomes of community contributions.
- The total community contribution to the provision of responsible gambling measures and activities excluding those required by law between 2013/14 and 2016/17 is \$0.
- The proposal does not diversify or increase non-gambling activities. On the contrary, it involves an increase in the extent of the green line a reduction in the existing floor area set aside for recreational purposes.
- The increase in employment is marginal, particularly employment directly associated with the additional EGMs, and furthermore, there is no guarantee that this additional employment will be sourced from the municipality.
- The paid tenure of the welfare officer does not increase the harm minimisation measures as this person is currently operating on a voluntary basis.
- The focus on problem gamblers by the Darebin RSL shifts all the blame to the individual.
- *Discussions with Gambler's Help Northern are being undertaken independently of this proposal.*
- *Awaiting Community attitude outcomes from survey*
- The Darebin RSL Sub Branch venue contributes to convenience gambling due to its proximity to high level of foot traffic from:
 - a retail strip in High Street, Preston
 - a commercial/business strip in Bell Street
 - Red Rooster and McDonald's restaurants in Bell Street
 - the high number and density of nearby health and welfare services.

This foot traffic is intensified by generous public transport to the area.