

## **Brighton Council's Submission to the Joint Select Committee on Future Gaming Markets**

Brighton Council has long been concerned at the adverse impact of the proliferation of Electronic Gaming Machines (poker machines) in our community. Poker machines are designed to ensure the house wins and for players to become addicted to gambling. This makes the argument that regulation shouldn't impinge on peoples' right to choose disingenuous in the extreme. The result is that the profit-seeking of poker machine owners causes real and significant harm to people including loss of homes, marriage and family break-ups, criminal acts of desperation, and more.

Our concern is not just about problem gambling however. It is also about money being bled from local communities and this impacts on families, small businesses and the community in general, and this must be addressed. Approximately \$2.2 million is lost to poker machines in the Brighton Municipality each year. This is money that could be spent in the local economy and on goods and services that improve the lives of families within our community. The situation is equally as concerning in other Tasmanian municipalities, compounded by the disproportionate placement of poker machines within lower income communities.

The Brighton Municipality has two venues with poker machines, one in Brighton and one in Bridgewater. Sections of the Brighton Municipality are home to some of the most socially and economically disadvantaged communities in the country.

It should be noted that to date, six Tasmanian councils (Brighton, Southern Midlands, Meander Valley, Kingborough, Hobart and Glenorchy) have joined the community coalition campaigning for electronic gaming machine reform. The councils joined because we sincerely believe that poker machines are causing harm to our citizens.

On 20<sup>th</sup> July 2016, Brighton Council's Mayor Tony Foster moved a motion at the Local Government Association of Tasmania (LGAT) General Meeting regarding electronic gaming machines. The motion was supported by the majority of LGAT member councils. The motion consisted of three parts:

1. *That LGAT formally take the position that the terms of reference for the State Government's Joint Select Committee Review into gaming in Tasmania be expanded to include whether or not electronic gaming machines should be allowed outside casinos at all and that as part of the Select Committee Review process, the Tasmanian community be polled to determine its view on this critical question.*

2. *That LGAT formally take the position that the Gaming Act should be reviewed, particularly to remove its power to over-ride other acts.*
3. *That LGAT convey this position to the Government, Opposition and Greens parties and to all Members of the Legislative Council*

Regarding Part 1 of the motion, independent polling such as that conducted by Anglicare in early 2016 suggests that the vast majority of Tasmanians do not see value in poker machines outside of the two casinos. Brighton Council believes that the State Government has attempted to restrict the terms of reference to ensure that the process merely looks at the administrative model for managing poker machines licences, rather than the more important questions to the community; such as should they exist at all outside the casinos and, if so, should planning and other relevant laws influence where they are approved and how many machines are approved.

Furthermore, Brighton Council contends that the Gaming Act should not override other legislation, such as the Land Use Planning and Approvals Act (LUPA). Councils are required to consider the impacts of land use and development on their community, indeed it is a core part of what local government does. Yet, councils are denied this responsibility when it comes to poker machines. This is despite strong community sentiment, clear evidence of social impacts and their drain on the local economy. The Gaming Act should be reviewed to remove its override provision.

### **Terms of Reference**

Since Brighton Council's motion was carried by LGAT members, the final terms of reference have now been adopted for the Joint Select Committee. Comments are provided against each of the criteria below:

- a) *Consideration of community attitudes and aspirations relating to the gambling industry in Tasmania with particular focus on the location, number and type of poker machines in the State;*

Unfortunately, the Government's framing of the terms of reference for the Select Committee Inquiry starts with the assumption that poker machines are here to stay. Yet Brighton Council contends that there is no reason for the Committee to adopt this assumption.

The Committee has the chance to use its process to let the Tasmanian community be heard, its wishes respected, and to stop in its tracks and indeed redress the damage and divisiveness the poker machines cause. For example, as well as looking at the various models for licensing, the Committee could also look at a transition of poker machines out of the community so that they remain only in the state's casinos.

The latest, most extensive and independent research shows that 84 per cent of Tasmanians believe the community receives absolutely no benefit from poker machines and 50 per cent of people want them removed from hotels and clubs. This community view has been consistent over the years. It is unreasonable for a State Government to ignore and dismiss such a strong community sentiment out of hand.

*b) Review the findings of the Social and Economic Impact Studies conducted for Tasmania;*

Rather than reviewing previous studies, the Joint Select Committee should commission contemporary independent studies that include extensive public polling.

*c) Consideration of the document entitled "Hodgman Liberal Government post-2023 Gaming Structural Framework";*

The State Government obviously has a clear starting position of effectively supporting the status quo, albeit with some potential administrative tweaks. Indeed, the Government's framing of the terms of reference for the Select Committee Inquiry starts with the assumption that poker machines are here to stay. Yet there is no reason for the Committee to adopt this assumption.

Brighton Council submits that the Joint Select Committee should disregard the document entitled "*Hodgman Liberal Government post-2023 Gaming Structural Framework*" and focus its inquiry on a holistic analysis of what is in the best interest of the Tasmanian community with regard to electronic gaming machines.

*d) An assessment of options on how market-based mechanisms, such as a tender, to operate EGMs in hotels and clubs could be framed;*

It needs to be remembered that the more a bidder pays for the licence to run the pokies in Tasmania the more money they will need to gouge from predominantly vulnerable and less economically secure members of our local communities. And the more licensees that are issued, the more vested interests there are and the greater their resources to press to keep poker machines in the community, regardless of the harm they do.

This creates an ongoing temptation for a government to increase the number of machines and licences. It means that increases in State Government revenue are dependent on increasing the damage done by poker machines, and the end result is a serious problem for the State that will only become more and more difficult for the future leaders who eventually choose to confront it.

*e) Consideration of future taxation and licensing arrangements, informed by those in other jurisdictions;*

In part due to the issues outlined above in “d)” when the Joint Select Committee informs itself with the experiences of other states, it will find that Victoria clearly demonstrated that competitive licensing is simply a recipe for further entrenching the problems created by the electronic gaming machine industry.

*f) A review of harm minimisation measures and their effectiveness, including the Community Support Levy;*

It is clearly a flawed approach (and ethically dubious) to levy a harmful industry to put back a small percentage of its profits into initiatives to assist some of the people it harms. This system is a clear admission that the industry does cause significant harm. But it is a token effort at best and is only treating some of the symptoms of the problem while allowing its cause to strengthen and grow.

*g) Consideration of the duration and terms of licences for the various gaming activities post-2023; and*

Brighton council submits that there should be no new electronic gaming machine licences issued outside Tasmania’s casinos.

*h) Any other matters incidental thereto.*

When an industry specifically targets areas based on their local traits (generally low socio-economic areas with significant disadvantage) it follows that the tier of government that deals with local issues should have a role in determining the operations of that industry. Local Government as the tier of government closest to the community has a responsibility to act to represent the interests of its community and to facilitate local democracy. Clearly, Local Government should have a say over whether, where and how many poker machines there are in their municipalities. However, as mentioned earlier in this submission, the Gaming Act overrides all other acts so denying local communities and their representatives any say at all in the approval process.

## **In conclusion**

Brighton Council regards the well-being of its community and that of the people of Tasmania more generally as crucially important. As the tier of government closest to our communities, local councils have a responsibility to campaign for issues such as this to be seriously and appropriately addressed. The timing of this inquiry relevant to the granting of long-term licences and public attitudes to the number and placement of poker machines, offers the Joint Select Committee a rare opportunity to reconsider and re-calibrate the State’s approach to

electronic gaming in Tasmania and set the state on a more socially and economically sustainable and compassionate pathway.

Brighton Mayor Tony Foster requests the opportunity to appear before the Joint Select Committee at its public hearings to present these views on behalf of the Brighton Council and community.

A handwritten signature in blue ink, appearing to read 'James Dryburgh', with a stylized, sweeping flourish extending to the right.

JAMES DRYBURGH

Manager Development Services (on behalf of Brighton Council)

## Julie Thompson

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**From:** Dryburgh, James <James.Dryburgh@brighton.tas.gov.au>  
**Sent:** Thursday, 3 November 2016 10:33 AM  
**To:** fgm  
**Subject:** Brighton Council - Submission to the Joint Select Committee on Future Gaming Markets  
**Attachments:** JSC Submission.pdf

To whom it may concern,

Please find attached Brighton Council's formal submission to the Joint Select Committee on Future Gaming Markets.

If you should have any queries, please do not hesitate to contact me.

Please confirm receipt of this submission.

Regards,

**JAMES DRYBURGH**  
**MANAGER DEVELOPMENT SERVICES**



**Brighton  
Council**

**Brighton**  
going places

1 Tivoli Road, Old Beach TAS 7017  
Tel: (03) 6268 7038 | Fax: (03) 6268 7013 | Mob: 0488 006 378  
[www.brighton.tas.gov.au](http://www.brighton.tas.gov.au)

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