

Camden Residents' Action Group

Incorporated
Camden – Still a Country Town

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Independent Liquor and Gaming Authority (ILGA)
ilga.secretariat@justice.nsw.gov.au

RE: Proposed Registered Club for the Moorebank Sports Club Ltd at
61-73 Rodeo Road, CENTRAL HILLS BUSINESS PARK, Gregory Hills NSW 2557

Camden Residents' Action Group opposes this application to licence 150 electronic gaming machines (EGMs). In summary, we dispute or seriously question the following claims made within the *Local Impact Assessment of Additional Gaming Machines (LIA)*:

- *the proposed additional EGMs will provide benefit to the Club's local community (p. 4);*
- *a variety of facilities and services will not be available to the residents of Gregory Hills, that Gregory Hills is lacking (p. 4);*
- *the club will provide much needed services (p. 4);*
- *the new development area, the adjacent area and the local community within 5 kilometres of the Proposed Club do not have the full benefit of the services and facilities of the kind provided by registered clubs. (p. 5);*
- *the area around the site is part of the 'mortgage belt' with repayment levels being sufficiently high to generate concern (p. 7).*

These claims are addressed in our following detailed submission.

Community welfare

Claim: the proposed additional EGMs will provide benefit to the Club's local community (LIA p. 4)

Research^{1,2,3} shows that Australians perceive the use and proliferation of poker machines to be particularly harmful and that there is a need for effective action to reduce the harm.

This perception was borne out by the 2010 report of a Productivity Commission enquiry¹⁴ into gambling which highlighted the significant social cost of gambling, noting that

- the potential for significant harm from some types of gambling is what distinguishes it from most other enjoyable recreational activities. One large-scale survey found that three quarters of Australian adults thought that gambling did more harm than good for the community, a view unlikely to apply to most other legal recreational pursuits;
- for ‘problem gamblers’ the harm is more intense and damaging to themselves, their families and other connected community members;
- the problems experienced by gamblers are as much a consequence of the technology of the games, their accessibility and the nature and conduct of venues, as they are a consequence of the traits of the gamblers themselves;
- poker machines present a particular risk with problem gamblers accounting for around 40 per cent of electronic gaming machine spending;
- people playing gaming machines face much greater risks than other gamblers;
- despite their community focus clubs offering gambling also derive the majority of their revenue from gaming machines and that some community clubs can be more dependent on gambling than casinos;
- clubs wishing to act ethically have muted incentives to address the problems faced by their customers, as this could mean significantly lower profits;
- social contributions by clubs tend to be narrowly focussed on sports activities and subsidised benefits for club members;
- that lower taxes and other concessions that facilitate social contributions made by clubs have potential to distort social investment throughout the economy. Concessional treatment of clubs means less revenue for governments and higher taxes for taxpayers generally. Governments have the capacity to allocate funds to roads, rail, healthcare and

¹ McAllister I (2014) *Public opinion towards gambling and gambling regulation in Australia* International Gambling Studies Vol. 14, Iss. 1, 2014

² Mond J, Davidson T and McAllister I (July 2011) *Public Opinion on Gambling* Australian National Institute for Public Policy, Australian National University Available at <https://lyceum.anu.edu.au/wp-content/blogs/3/uploads/ANUpoll-%20Gambling1.pdf>

³ Samantha L, Thomas S et al (2017) *Public attitudes towards gambling product harm and harm reduction strategies: an online study of 16–88 year olds in Victoria, Australia* Harm Reduction Journal 14:49 Available at <https://harmreductionjournal.biomedcentral.com/track/pdf/10.1186/s12954-017-0173-y?site=harmreductionjournal.biomedcentral.com>

⁴ Productivity Commission (2010) *Productivity Commission Inquiry Report Gambling* Volume 1 No. 50 26 February 2010. Australian Government. Available at <https://www.pc.gov.au/inquiries/completed/gambling-2009>

many other social benefits through the usual budgetary process, and to be politically accountable;

- the large tax concessions on gaming revenue enjoyed by clubs in some jurisdictions (notably New South Wales) cannot be justified on the basis of realised community benefits;
- the value of social contributions to the broader community is a small share of the value of the tax concessions provided by the broader community;
- decisions about the allocation of gaming machine surpluses sometimes lack appropriate governance and transparency arrangements;
- the claim that revenue from poker machines in clubs helps to stimulate volunteering and community participation in sport is not supported by comparisons across jurisdictions with differing levels of club dependence on gaming revenue;
- that the claim of employment in clubs providing a significant community benefit is not correct in the net sense as employees have skills highly valued in the service sector as a whole and as clubs expand other venue opportunities contract. The longer-term employment effects of the gambling industry are likely negligible which is a finding supported by analysis commissioned by the industry itself.

The Productivity Commission report unquestionably debunked any argument that poker machines increase net employment in the service sector and that accessibility of poker machines can provide a net community benefit.

Research⁵ of Victorian data from 2005 to 2014 has shown that the density of EGMs in a postcode is connected to increased risk of domestic violence (DV) as follows:

- DV is associated with EGM accessibility.
- Areas with no EGMs have 20% fewer family incidents than those with 75 EGMs/10,000.
- Areas with no EGMs have 30% fewer DV assaults than those with 75 EGMs/10,000.

The study recommended that Regulators consider impacts on domestic violence when licensing EGMs.

Another 2016 Victorian study⁶ reviewed the literature on harm from gambling from a public health perspective. The results of this study indicated that in Victoria, although some of the 'burden of harm' is concentrated in problem gamblers, that at a population level the majority of harm is attributable to a wider cross-section of the community. Harm is at a substantial level in comparison to harm attributable to priority areas such as major depressive disorders and alcohol dependency, and greater than most common health conditions.

⁵ Markham, F., Doran, B., Young, M. (2016) *The relationship between electronic gaming machine accessibility and police-recorded domestic violence: A spatio-temporal analysis of 654 postcodes in Victoria, Australia, 2005–2014*, *Social Science & Medicine* (2016), doi: 10.1016/j.socscimed.2016.06.008. Abstract and article available at <http://www.sciencedirect.com/science/article/pii/S0277953616302891?via%3Dihub>

⁶ Browne, M., Langham, E., Rawat, V., Greer, N., Li, E., Rose, J., Rockloff, M., Donaldson, P., Thorne, H., Goodwin, B., Bryden, G & Best, T (2016) *Assessing gambling-related harm in Victoria: a public health perspective*, Victorian Responsible Gambling Foundation, Melbourne. Available at https://www.responsiblegambling.vic.gov.au/__data/assets/pdf_file/0007/28465/Browne_assessing_gambling-related_harm_in_Vic_Apr_2016-REPLACEMENT2.pdf

An analysis⁷ of data from 42 studies from 1994 to 2015 commissioned by state and territory governments to measure the levels of gambling consumption and gambling-related harm found:

- Australia had more poker machines per person than any country in the world, excluding casino-tourism destinations like Macau and Monaco. It has nearly 200,000 machines – one for every 114 people.
- the losses by Australians on pokies outside of casinos dwarf those of any other comparable country. They are 2.4 times greater than those of our nearest rival, Italy. Australians lose three times more than New Zealanders, 4.1 times more than Canadians, 6.4 times more than the Irish, 7.5 times more than the British, and 9.8 times more than Americans.
- poker machine losses per adult in New South Wales have remained around 50% higher than the national average.
- the amount lost per poker machine gambler in pubs and clubs in NSW in 2015 was \$3,650 around \$70 per week, more than the average spent on electricity and gas.

The ILGA in its most recent report states that the Camden municipality already has 575 poker machines. There is no reasonable argument or evidence that increasing the number of poker machines by 150 (26 %) in Camden is somehow socially beneficial. Poker machine gambling causes undeniable harm within many families and the greater community.

Claim: *The Proposed Premises will offer a variety of facilities and services, including reception space small lounge and small bottle shop, indoor and outdoor spaces for drinking, dining and gaming, and a children's playroom. If the Application is not granted, the above benefits will not be available to the residents of Gregory Hills* (LIA p. 7)

Claims made in *The Local Impact Assessment of Additional Gaming Machines* that poker machine revenue will provide needed community facilities that would otherwise not be available should be rejected.

Gregory Hills is near Narellan, which is an old area (founded in 1826) and is close to other old areas, especially Camden, Campbelltown and Liverpool, and their surrounds, which have many restaurants and well-established sporting and recreation facilities.

In particular, the Australian Good Food and Travel Guide⁸ alone lists 140 restaurants over 6 pages in the Macarthur area. Not all restaurants and hotel venues are listed and this number does not include fast food outlets which proliferate in Macarthur, milk bars, cafes, food courts in shopping malls, and the many eateries available in existing clubs such as Camden Sports club, Camden RSL club, Camden Golf club, Country Club Gledswood Hills, Campbelltown RSL,

⁷ Young M and Markham F (2017) *Three charts on: Australia's addiction to poker machines* The Conversation 27 June 2017 Available at <http://theconversation.com/three-charts-on-australias-addiction-to-poker-machines-78353>

⁸ Australian Good Food and Travel Guide available at <https://www.agfg.com.au/guide/nsw/sydney/the-campbelltownmacarthur-area/listings/6/>

Campbelltown Catholic club, Campbelltown Tennis club and Harrington Grove's Country clubs⁹ including its Michelia club¹⁰ being constructed to include swimming pool, tennis court, children's playground, gazebo, picnic tables, barbecues and a gym.

The LIA (p. 7) states Camden Council's projected annual population growth for the Narellan-Smeaton Grange area and the Camden LGA are 3.7% p.a. and 8.7% p.a. respectively for the period 2016-2021 and this equates to an increase of 41,692 people over the 5-year period. This level of projected population growth does not support an argument that the area needs the club facilities proposed, and is not an argument for such an increase in the number of poker machines.

This application for 150 EMGs at Gregory Hills Sports Club comes hot in the heels of Club Marconi's application, also for 150 machines. It is expected that the planned refurbishment of Camden Valley Inn will also include an application for an increase to the maximum 150 threshold.

The *cumulative* impact of these proposals *must* be taken into account when considering individual cases. All are in one Local Government Area, Camden, which already sports 575 machines.

Additionally, while Gregory Hills is largely a 'new development', it abuts established areas of Narellan and Campbelltown in which there are currently no shortage of registered clubs and hotels providing abundant access to poker machines should they be patrons' recreational choice.

Conclusion

Not only is the area well-serviced for Clubs and other amenities, and any new club will impact deleteriously on existing businesses, providing not variety but duplication. The proposed development will cost an estimated \$20m, and an investment of that size will seek an appropriate return, which is to be provided by 150 EGMs that will also present a social problem in an area that, it is noted, is at some vulnerability serving large mortgages (p. 7).

Yours sincerely,

Glenda Davis



President

⁹ See <http://www.harringtongrove.com.au/harrington-grove-country-club>

¹⁰ See <http://www.harringtongrove.com.au/news/tags/tag/michelia-club>