



Victorian Commission for Gambling and Liquor Regulation

DECISION AND REASONS FOR DECISION

In the matter of an application by Wangaratta RSL Sub-Branch Inc under section 3.3.4(1) of the *Gambling Regulation Act 2003* for approval of the premises, the Sydney Hotel, located at 2-4 Templeton Street, Wangaratta, as suitable for gaming with fifty (50) electronic gaming machines.

Commission:

Ms Helen Versey, Deputy Chair

Ms Deirdre O'Donnell, Deputy Chair

Appearances:

Ms Louise Hicks of Counsel for the Applicant (instructed by Williams Winter Solicitors)

Mr Ragunath Appudurai of Counsel for the Council (instructed by Maddocks)

Mr Cameron Warfe as Counsel Assisting the Commission

Date of Hearing:

29 May 2017

Date of Decision:

12 July 2017

Date of Reasons:

12 July 2017

Decision:

The Application is granted subject to the conditions outlined at paragraphs 139 to 140 of these Reasons for Decision.

Signed:

A handwritten signature in blue ink, appearing to read 'Helen Versey'.

Helen Versey
Deputy Chair



REASONS FOR DECISION

INTRODUCTION

1. On 1 March 2017, Wangaratta RSL Sub-Branch Inc (**the Applicant**) lodged an application with the Victorian Commission for Gambling and Liquor Regulation (**Commission**) for approval of the Sydney Hotel, located at 2-4 Templeton Street, Wangaratta (**Premises**), as suitable for gaming with fifty (50) electronic gaming machines (**EGMs**) pursuant to section 3.3.4(1) of the *Gambling Regulation Act 2003* (**Act**). The Application included the proposed relocation of thirty-two (32) EGMs from the Applicant's existing venue, located at 76A Reid Street, Wangaratta.
2. The relevant municipal authority is the Rural City of Wangaratta (**the Council**). On 27 April 2017, the Council requested an extension under section 3.3.6(4) of the Act to the period for it to make a submission on the Application as the next scheduled Council meeting was to be held on 16 May 2017 (one day after the statutory due date for the submission). On 9 May 2017, the Commission refused the extension request on the basis that the Council failed to demonstrate exceptional circumstances.
3. On 15 May 2017, the Council provided the Commission and the Applicant with a written submission (together with supporting documents) indicating support to the Application subject to suggested conditions. Following consideration of the matter at its meeting on 16 May 2017, the Council provided the Commission and the Applicant with an amended submission on 19 May 2017 which supported the relocation of the existing 32 EGMs to the Premises, but did not support the increase in EGM numbers from 32 to 50 at the Premises.

THE LEGISLATION AND THE TASK BEFORE THE COMMISSION

4. Gambling on EGMs is a legal recreational and commercial activity in Victoria so long as it is done in accordance with the Act. The Act recognises that, notwithstanding individual rights of self-determination, gaming on EGMs causes harm to some communities and some members of some communities. For this reason the Act includes safeguards to ensure an appropriate balance is struck between a lawful and legitimate recreational activity for some, and a potentially harmful activity for others.
5. The objectives of the Act are set out in section 1.1, which provides:

...

(2) *The main objectives of this Act are—*

(a) *to foster responsible gambling in order to-*



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- (i) *minimise harm caused by problem gambling; and*
- (ii) *accommodate those who gamble without harming themselves or others;*
- (ab) *to ensure that minors are neither encouraged to gamble nor allowed to do so;*
- (b) *to ensure that gaming on gaming machines is conducted honestly;*
- (c) *to ensure that the management of gaming equipment and monitoring equipment is free from criminal influence and exploitation;*
- (d) *to ensure that other forms of gambling permitted under this or any other Act are conducted honestly and that their management is free from criminal influence and exploitation;*
- (e) *to ensure that-*
 - (i) *community and charitable gaming benefits the community or charitable organisation concerned;*
 - (ii) *practices that could undermine public confidence in community and charitable gaming are eliminated;*
 - (iii) *bingo centre operators do not act unfairly in providing commercial services to community or charitable organisations;*
- (f) *to promote tourism, employment and economic development generally in the State.*

6. Chapter 3 of the Act deals with the regulation of gaming machines. Section 3.1.1 of the Act sets out the purpose of Chapter 3 as follows:

- (1) *The purpose of this Chapter is to establish a system for the regulation, supervision and control of gaming equipment and monitoring equipment with the aims of—*
 - (a) *ensuring that gaming on gaming machines is conducted honestly; and*
 - (b) *ensuring that the management of gaming equipment and monitoring equipment is free from criminal influence or exploitation; and*
 - (c) *regulating the use of gaming machines in casinos and other approved venues where liquor is sold; and*
 - (d) *regulating the activities of persons in the gaming machine industry; and*
 - (e) *promoting tourism, employment and economic development generally in the State; and*
 - (f) *fostering responsible gambling in order to—*
 - (i) *minimise harm caused by problem gambling;*
 - (ii) *accommodate those who gamble without harming themselves or others.*
- (2) *The purpose of this Chapter is also to—*
 - (a) *provide for the allocation of gaming machine entitlements in order to maximise the financial and social benefits to the Victorian community*



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within the regulatory framework applying to the allocation of entitlements;

- (b) *promote a competitive gaming industry with the aim of providing financial and social benefits to the Victorian community.*

7. Section 9(3) of the *Victorian Commission for Gambling and Liquor Regulation Act 2011 (VCGLR Act)* relevantly provides:

The Commission must, when performing functions or duties or exercising its powers under the Gambling Regulation Act 2003 ... or any other Act, have regard to the objects of the Act conferring functions on the Commission.

8. The relevant provisions concerning this Application are to be found in sections 3.3.7 and 3.3.8 of the Act:

- (a) section 3.3.7 provides:

- (1) *The Commission must not grant an application for approval of premises as suitable for gaming unless satisfied that—*
 - (a) *the applicant has authority to make the application in respect of the premises; and*
 - (b) *the premises are or, on the completion of building works will be, suitable for the management and operation of gaming machines; and*
 - (c) *the net economic and social impact of approval will not be detrimental to the well-being of the community of the municipal district in which the premises are located.*
- (2) *In particular, the Commission must consider whether the size, layout and facilities of the premises are or will be suitable.*
- (3) *The Commission must also consider any submission made by the relevant responsible authority under section 3.3.6.¹*
- ...
- (5) *The Commission cannot approve an area as a gaming machine area unless that area is wholly indoors.*

- (b) section 3.3.8 provides, inter alia:

- (1) *The Commission must determine an application by either granting or refusing to grant—*
 - (a) *approval of the premises as suitable for gaming; and*
 - (b) *if applicable, approval for 24 hour gaming on the premises on any one or more days.*
- ...

¹ Section 3.3.6 of the Act allows the Council to make a submission addressing the economic and social impact of the proposal for approval on the well-being of the community of the municipal district in which the premises are located; and taking into account the impact of the proposal on surrounding municipal districts.



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(2) *An approval must specify—*

- (a) *the number of gaming machines permitted; and*
- (b) *the gaming machine areas approved for the premises; and*
- (c) *if applicable, the days on which 24 hour gaming is permitted on the premises.*

...

9. Section 3.3.7(1)(c) provides for what is now commonly described as the '*no net detriment*' test. It requires the Commission to be satisfied that there is no net detriment arising from the approval through positively and objectively establishing that the net economic and social impact will not be detrimental to the well-being of the community.²
10. The Act does not specify the matters which the Commission must consider in deciding whether this '*no net detriment*' test is satisfied. However, the statutory signposts are provided by the test itself. The Commission must consider:
 - the likely economic impacts of approval;
 - the likely social impacts of approval; and
 - the net effect of those impacts on the well-being of the relevant community.³
11. As such, the '*no net detriment*' test is a composite test requiring consideration of a single net impact in economic and social terms on the well-being of the community.⁴ The test will be satisfied if, following the weighing of any likely impacts, the Commission is satisfied that the net economic and social impacts of approval on the well-being of the relevant community will be either neutral or positive.
12. The Commission recognises that the task of identifying likely benefits and disbenefits will not always be straightforward given the overlap of socio-economic issues, and the quality and availability of relevant data and cogent evidence. Some economic outcomes may have social consequences, and vice versa.⁵ On review, decisions in the Victorian Civil and Administrative Tribunal (**VCAT**) have held that for impacts that may be both economic and social – for example the benefits of gaming consumption – it does not matter whether the impact is considered on

² *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [52] per Dwyer DP.

³ *Macedon Ranges Shire Council v Romsey Hotel Pty Ltd* (2008) 19 VR 422, [42]-[43] per Warren CJ, Maxwell P and Osborn AJA.

⁴ *Romsey Hotel Pty Ltd v Victorian Commission for Gambling Regulation (Romsey #2)* [2009] VCAT 2275, [332], [348] per Bell J cited in *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [58] per Dwyer DP.

⁵ *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [57] per Dwyer DP.



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the economic side, or the social side, or both, so long as it is included and not double-counted in the ultimate composite test.⁶

13. The Commission also accepts the position expressed by Morris J in *Branbeau Pty Ltd v Victorian Commission for Gaming Regulation* [2005] VCAT 2606 at [51] that:

*"Although the [no net detriment] test requires consideration of the impact of approval on the well-being of the community of the municipal district in which the premises are located, logic and common sense require this to be considered in the context of the spatial impact of the gaming machines to be installed in the venue concerned."*⁷

14. The Commission also notes that on review, it has been indicated by VCAT that:

*A table of likely economic and social benefits and disbenefits, and with some comments relevant to the relative weight to be given to particular factors ... is a useful way of transparently dealing with the 'no net detriment' test, and might perhaps be considered for wider application.*⁸

This approach has been adopted in a number of VCAT decisions.⁹ To facilitate greater consistency between the Commission and VCAT, the Commission has adopted the same approach in this matter.

15. If the Commission is not satisfied that the 'no net detriment' test is met, that is clearly fatal to the application given the opening words of section 3.3.7(1) of the Act. The test is a mandatory precondition to approval. However, although section 3.3.7(1) sets out certain mandatory considerations for the Commission, the provision is not cast in exhaustive terms. If the Commission is satisfied that the 'no net detriment' test is met, it still has an ultimate discretion as to whether or not to grant the approval.¹⁰ The Commission must decide whether to grant the approval, even where an applicant has satisfied the minimum threshold of the 'no net detriment' test.¹¹

⁶ See *Romsey Hotel Pty Ltd v Victorian Commission for Gambling Regulation (Romsey #2)* [2009] VCAT 2275, [352] per Bell J; *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [58] per Dwyer DP.

⁷ See also *Romsey Hotel Pty Ltd v Victorian Commission for Gambling Regulation & Anor* [2009] VCAT 2275, [274] per Bell J.

⁸ *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [60] per Dwyer DP.

⁹ See, for example: *Darebin CC v Victorian Commission for Gambling and Liquor Regulation & Anor* [2013] VCAT 1389; *Melbourne CC v Kingfish Victoria Pty Ltd & Anor* [2013] VCAT 1130; *Monash CC v L'Unico Pty Ltd* [2013] VCAT 1545; *Bakers Arms Hotel Pty Ltd v Victorian Commission for Gambling and Liquor Regulation* [2014] VCAT 1192.

¹⁰ See *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [97] and following per Dwyer DP; see also *Ocean Grove Bowling Club v Victorian Commission for Gaming Regulation* [2006] VCAT 1921, [32] and following per Morris J; *Bakers Arms Hotel Pty Ltd v Victorian Commission for Gambling and Liquor Regulation* [2014] VCAT 1192, [126] per Code PM and Nelthorpe M.

¹¹ *Gambling Regulation Act 2003*, section 3.3.8(1).

16. In considering the exercise of this discretion:
 - (a) it must be exercised having regard to the purposes of the Act and, in particular, the specific purposes of Chapter 3 of the Act dealing with the regulation, supervision and control of gaming machines;¹² and
 - (b) it may also be influenced by other factors such as broad policy considerations drawn from the content and objectives of the Act as a whole.¹³
17. The Commission agrees with the comments of Deputy President Dwyer in *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors*¹⁴ that if all of the mandatory considerations under the Act favour the grant of an approval, one would expect that the ultimate discretion will commonly favour approval – other than in relatively rare or exceptional circumstances arising in a particular case. In such a case, any such circumstances should be separately and transparently identified.
18. Finally, it is noted that pursuant to section 9(4) of the VCGLR Act the Commission must have regard to Ministerial guidelines issued under section 5 of the VCGLR Act when performing functions under gambling legislation.
19. On 16 October 2013, Ministerial decision-making guidelines were published in the Victorian Government Gazette pursuant to section 5 of the VCGLR Act concerning applications for approvals of venues for EGMs which contain, or will contain, a children's play area (**Play Area Guidelines**). The Play Area Guidelines concern the assessment of the suitability of a premises for gaming which contain, or will contain, a children's play area to ensure that the venue operator provides a responsible gambling environment. The Play Area Guidelines provide a list of criteria regarding children's play areas that the Commission should have regard to, and also states that the Commission should have regard to:

any other aspect of the design and location of a children's play area that it deems relevant to ensuring that the approved premises for gaming will provide a responsible gambling environment.
20. On 14 February 2017, Ministerial decision-making guidelines were published in the Victorian Government Gazette pursuant to section 5 of the VCGLR Act concerning applications for

¹² *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors*. [2013] VCAT 101, [98] per Dwyer DP.

¹³ *Ocean Grove Bowling Club v Victorian Commission for Gambling Regulation* [2006] VCAT 1921, [32] per Morris J; *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors*. [2013] VCAT 101, [99] per Dwyer DP; *Bakers Arms Hotel Pty Ltd v Victorian Commission for Gambling and Liquor Regulation* [2014] VCAT 1192, [126] per Code PM and Nelthorpe M. As to policy principles identified for consideration, see *Macedon Ranges Shire Council v Romsey Hotel Pty Ltd* (2008) 19 VR 422, [7] per Warren CJ, Maxwell P and Osborn AJA.

¹⁴ [2013] VCAT 101, [98].

approvals of venues as suitable for gaming which include permanent residential accommodation (**Residential Guidelines**). The Residential Guidelines concern the assessment of the suitability of a premises for gaming which contain, or will contain, permanent residential accommodation. The Residential Guidelines provide that “locating gaming machines in a building with permanent residential accommodation is inconsistent with the Act’s responsible gambling objectives” and consequently that “any building that includes (or is planned to include) permanent residential accommodation should not be approved as premises suitable for gaming”.

MATERIAL BEFORE THE COMMISSION

21. The Applicant provided the Commission with the following material in support of its Application:
 - (a) Approval of Premises for Gaming application form dated 1 March 2017;
 - (b) Social and Economic Impact Statement, prepared by Nick Anderson, Managing Director of NBA Group Pty Ltd, dated 24 February 2017 (**NBA Report**);
 - (c) Expenditure Report prepared by Michael Clyne on behalf of PVS Australia Pty Ltd (**PVS**), dated February 2017 (**Expenditure Report**);
 - (d) Witness Statement of Lieutenant General Brian Ashley Power AO CSC (Rtd), President of the Applicant, dated 16 February 2017;
 - (e) Witness Statement of Grant Lyons, General Manager of the Applicant, dated 15 February 2017;
 - (f) Addendum to Witness Statement of Grant Lyons, General Manager of the Applicant, dated 25 May 2017;
 - (g) Application for Planning Permit to the Rural City of Wangaratta with respect to the Premises prepared by NBA Group, undated (**Planning Permit Application**);
 - (h) Letter from Michael Annett, State Secretary of the Returned & Services League of Australia (Victorian Branch) Inc, dated 24 February 2017;
 - (i) A3 Plans - Proposed redevelopment of the Premises; and
 - (j) RSL Responsible Gambling Code of Conduct, dated March 2009.
22. The Council provided the following material in opposition to the Application:
 - (a) Economic and Social Impact Submission Form, dated 15 May 2017;
 - (b) Social and Economic Impact Statement prepared by Bonnie Rosen, Principal of Symplan, dated 12 May 2017 (**Symplan Report**);

- (c) Extract of Council Report from the Minutes of the Ordinary Council Meeting on 16 May 2017 regarding the Application; and
 - (d) Various objections received by the Council regarding the Application, including a letter from the Wangaratta Club regarding the impact the Application would have on its operations.
23. While the Council was represented at the public hearing of the Application, it did not call any witnesses, including the author of the Symplan Report or a representative of the Wangaratta Club. The Commission accepts that the Symplan Report and correspondence from the Wangaratta Club provide relevant and important information and notes that they have been taken into account by the Commission in its decision. However, the Commission must place reduced weight on them as their contents were unable to be tested by the Commission or the Applicant at the public hearing.
24. The following material, prepared by Commission officers, was provided to the Applicant and the Council and was considered by the Commission:
- (a) a report titled *Economic and Social Impact Report*, dated May 2017;
 - (b) a report titled *Pre-Hearing Inspection and Compliance Report*, dated 9 May 2017; and
 - (c) a report titled *Pre-Hearing Size, Layout and Facilities Report*, dated 1 June 2017.
25. In addition, the Commission received correspondence in opposition to the Application from two local individuals, which reflected the concerns outlined in the objections previously provided by Council.
26. The Commission was also provided with written submissions by Counsel on behalf of the Applicant and Counsel on behalf of Council, both dated 29 May 2017.
27. Deputy Chair O'Donnell visited the Applicant's current venue prior to the public hearing as well as the location of the proposed Premises and other gaming venues within the Rural City of Wangaratta.
28. On 1 June 2017, the Commission wrote to the parties providing a copy of the Pre-Hearing Size, Layout and Facilities Report for comment and requesting additional information for the Commission's consideration. Responses to this request were received from the Applicant on 5 June 2017 and the Council on 19 June 2017.
29. On 8 June 2017, the Commission again wrote to the parties providing a copy of a letter received from the Wangaratta Club dated 31 May 2017 and seeking the parties' comment (if any). A response was received from the Applicant on 16 June 2017.

DECISION AND REASONS FOR DECISION

Background

30. The Rural City of Wangaratta¹⁵ is a regional municipality located approximately 250 kilometres north-east of Melbourne and has an estimated adult population of 21,049, with an estimated annual rate of population growth of 0.1% for the period 2016-21 projected by the Victorian Department of Environment, Land, Water and Planning. This is significantly lower than the Victorian average of 1.8%. It is estimated that 44.6% of the population will be over 50 by 2021.
31. The Applicant is a sub-branch of the Returned & Services League of Australia, a charitable organisation with a primary object of promoting the welfare and values of serving and ex-serving men and women of the Australian Defence Force, while supporting its members and local communities. RSL sub-branches, including the Applicant, have a financial duty to distribute surplus funds to the broader community, noting their core objects of caring for the veteran community within their area of responsibility and attending to the patriotic and commemorative activities in each of their communities.
32. The Applicant currently operates 32 EGMs from its venue at 76A Reid Street, Wangaratta for the following operating hours:
- Sunday to Thursday 10 am to 10 pm
- Friday & Saturday 10 am to 12 am
33. The proposed Premises, currently known as the Sydney Hotel, are situated at 2-4 Templeton Street in Wangaratta. The Premises are currently vacant and require refurbishment prior to the Applicant's proposed relocation. The Premises are situated on the northern outskirts of the Wangaratta CBD and within the riverside precinct along the banks of the Ovens River, which has been identified in the Council's master planning document *The Wangaratta Project – A Masterplan for the City* dated March 2016 as a site with potential for social reinvigoration and enhancement. The Premises are located in a mixed use area with commercial, retail and public use facilities in close proximity. The closest residential areas of Wangaratta exist further to the west of the Premises as well as south beyond the CBD.

¹⁵ Where reference is made in these reasons to the Rural City of Wangaratta, this is a reference to the local government area.



34. The Rural City of Wangaratta is subject to a municipal limit of 214 EGMs.¹⁶ At the time of this decision, there are four gaming venues within the municipal area with approvals to operate a total of 136 EGMs (with 136 EGMs currently operating). The Application seeks to introduce 50 EGMs at the Premises, with 32 of those EGMs being relocated from the Applicant's existing venue within the municipality.
35. The Rural City of Wangaratta has an EGM density of 6.5 EGMs per 1000 adults, which is 16.7% lower than the regional average (7.8), but 15.1% higher than the State average (5.6). If the Application is approved, the EGM density within Wangaratta would increase to 7.3 EGMs per 1000 adults, an increase of 13.2% on existing density.
36. The Rural City of Wangaratta has an average gaming expenditure of \$391 per adult, which is 35.9% lower than the regional average (\$610) and 29.3% lower than the State average (\$553). Overall gaming expenditure within the Rural City of Wangaratta has decreased by 14.03% in real terms over the past five years, which is compared with a decrease of 15.18% in the regional average over the same period.

Catchment area of the Premises

37. The evidence presented to the Commission regarding the likely catchment area of the Premises differed across the expert witnesses in this matter. The determination of the likely catchment area is important in the Commission's consideration of the identity of those residents which may be most affected by the Application in terms of gambling-related harms.
38. In the NBA Report, Mr Anderson considered and commented on three different catchments of the Premises:
 - (a) the immediately surrounding area of the suburb of Wangaratta (i.e. within approximately 5km of the venue);
 - (b) a radius of up to 10km, consisting of Wangaratta and its surrounding areas; and
 - (c) a broader radius of 20km plus, taking into account the Applicant's membership data, patron surveys and the regional responsibilities of the Applicant as the only licensed RSL within 100km.
39. Mr Anderson also gave evidence that the relocation of the Applicant to the Premises would result in increased patronage from tourists, which had the potential to further expand the patron

¹⁶ Pursuant to section 3.4A.5(3A)(b) of the Act, the Commission determined, in accordance with the criteria specified in the Minister for Gaming's Order on 15 August 2012, the maximum permissible number of gaming machine entitlements under

catchment of the Premises in the future.

40. In the Symplan Report, Ms Rosen considered the social profile of likely patrons based on the gaming room patron survey conducted by the Applicant. This patron survey indicated that 85.2% of the Applicant's current patrons reside in the suburb of Wangaratta with an additional 3.1% residing in Wangaratta South (i.e. within approximately 10km of the venue). In addition to this urban area of Wangaratta, Ms Rosen also commented on the social profile of the Rural City of Wangaratta more generally, as compared to regional LGAs and State averages.
41. Having regard to the above material, the Commission considers that the gaming room patron survey provides a reliable indication of the likely gaming patrons for the Premises, with a significant proportion of those patrons residing in the suburb of Wangaratta. While accepting that the relocation of the Applicant to the Premises may result in increased tourism and additional patrons from outside the immediate Wangaratta area, the Commission considers that this will not significantly change the current high proportion of gaming room patrons (as opposed to bistro patrons) that reside in the immediate Wangaratta area. Therefore, the Commission considers the appropriate catchment area of the Premises consists primarily of the suburb of Wangaratta, together with its surrounding areas out to a radius of up to 10km.

Reasons for Decision

42. Pursuant to section 3.3.7, there are three elements about which the Commission must be satisfied before it can grant the Application:

AUTHORITY TO MAKE APPLICATION

43. The first element in relation to which the Commission is required to be satisfied is that the Applicant has authority to make the Application in respect of the Premises.
44. The Applicant provided to the Commission a letter from the Returned & Services League of Australia (Victorian Branch) Inc acknowledging that it is the owner of the Premises in its capacity as trustee of the Wangaratta RSL Sub-Branch Building Patriotic Fund, and consenting to the Application by the Applicant for approval of the Premises as suitable for gaming.
45. Based on the evidence above, the Commission is satisfied that this first element has been met.



SUITABILITY OF PREMISES FOR THE MANAGEMENT AND OPERATION OF GAMING MACHINES

46. The second element in relation to which the Commission is required to be satisfied is that the Premises are, or on the completion of building works will be, suitable for the management and operation of gaming machines. In particular, the Commission must consider whether the size, layout and facilities of the Premises are, or will be suitable.¹⁷
47. The Commission was provided with a Pre-Hearing Size, Layout and Facilities report prepared by staff of the Commission. This report was prepared based on plans provided by the Applicant in relation to the Premises and the gaming machine area (**GMA**), and which form part of the materials before the Commission in this Application. According to the Pre-Hearing Size, Layout and Facilities report, the redevelopment of the venue and the GMA have been assessed by Commission Licence Management and Audit Inspectors against standards and guidelines in relation to the size, location and layout of the GMA, type and height of perimeter barriers, floor numbering and layout of gaming machines, windows, proximity of the GMA to other facilities within the venue (e.g. children's play areas) and any liquor or statutory authority conditions imposed. Based on the plans submitted, and subject to any planning issues, the report concluded that the size, layout and facilities of the Premises would be suitable for gaming.
48. During the hearing, the Applicant provided the Commission with an amended layout plan for the Premises, indicating that the rear entrance (proposed as members' only with swipe access and which would provide unmonitored access to the gaming room) had been removed in line with the recommendation of Ms Rosen in the Symplan Report. Mr Anderson gave evidence at the hearing that this amendment increased its suitability for gaming as it would enhance responsible service of gaming (**RSG**) practices at the Premises.
49. As the Application does not include provision of a children's play area or permanent residential accommodation, the Commission is satisfied that the Play Area Guidelines and the Residential Guidelines are not relevant.
50. Based on the evidence above, the Commission is satisfied that this second element has been met.

'NO NET DETRIMENT' TEST

51. The third element in relation to which the Commission is required to be satisfied is that the net economic and social impact of approval will not be detrimental to the well-being of the



community of the municipal district in which the premises are located. Set out below (and summarised in tabular form at Appendix One) is the Commission's assessment of the economic benefits and disbenefits and social benefits and disbenefits associated with this Application, including the weighting given to each of these impacts.

Economic Impacts

52. The materials before the Commission, including the evidence adduced at the public hearing, either referred specifically to, or provided the evidentiary basis for, a range of economic benefits and disbenefits associated with this Application.

Gaming expenditure not associated with problem gambling

53. To the extent that gaming expenditure is not associated with problem gambling, it has been recognised (by, for example, the Productivity Commission in its 1999 report) that such expenditure can be treated as an economic positive.¹⁸ As Bell J notes, this approach also brings to account the benefit obtained from pure consumption by the lone gambler who does not use machines for social reasons.¹⁹
54. The Commission was provided with a range of evidence from Mr Clyne on behalf of PVS in relation to the anticipated expenditure arising from the introduction of 50 EGMs at the Premises (including the relocation of 32 EGMs from the Applicant's current venue and its subsequent closure). In summary, Mr Clyne's evidence was that:
- (a) overall, it was anticipated that estimated gross gaming expenditure at the Premises would be approximately \$2,535,015 per annum, an increase on the Applicant's current gaming trade of approximately \$871,633 per annum; and
 - (b) of this increased expenditure, it was estimated that 90% – approximately \$784,470 – would be transferred expenditure (from the existing gaming venues within the Rural City of Wangaratta), with the remaining approximately \$87,163 being new expenditure.
55. At the hearing, Mr Clyne identified the venues from which the 90% of increased expenditure expected to be transferred to the Premises would be derived. The three affected venues are as follows:

¹⁷ Section 3.3.7(2) of the Act.

¹⁸ See *Romsey #2* at [351] per Bell J.

¹⁹ See *Romsey #2* at [351]. Bell J notes further at [352] that the other approach is to say, as did Morris J in *Branbeau Pty Ltd v Victorian Commission for Gambling Regulation* [2005] VCAT 2606 at [79] that gaming extends 'substantial economic and social benefits' to gaming machine users, which treats consumption as a benefit without saying whether it is economic or social. While Bell J states both approaches are correct, for the purposes of this Application this benefit is treated as an economic benefit.



Premises name	Percentage of total venue expenditure	Transferred gaming expenditure estimate
Pinsent Hotel	Approx 12.5%	Approx \$478,000
Old Town 'N' Country Tavern	Approx 12.5%	Approx \$240,000
Wangaratta Club	Approx 10 %	Approx \$82,000

56. While Council raised questions as to the accuracy of the anticipated expenditure and transfer estimates provided by Mr Clyne, it did not lead any contrary expert evidence proposing an alternative estimate for the Commission's consideration. In the circumstances, the Commission accepts the evidence of Mr Clyne as outlined in paragraph 54 above.
57. In assessing the extent of this benefit, the Commission has had regard to the evidence outlined in paragraphs 91 to 100 below with respect to the potential increase in problem gambling. The Commission finds that the portion of new expenditure not attributable to problem gambling is an economic benefit. Various factors suggest that the extent of problem gambling at the Premises is likely to be low, including that the venue will operate as a club, with a medium-sized gaming room and reduced operating hours. Generally, it is located in an area of slightly higher socio-economic disadvantage and higher vulnerability to problem gambling than other areas of the municipality, however the indicators of vulnerability to problem gambling are broadly similar to the state averages. Further, the Commission has taken into account the relocation of 32 EGMs from the Applicant's current venue, which exhibits more characteristics of a convenience gambling venue than the proposed Premises. Finally, the anticipated extent of the new expenditure at the Premises is expected to be marginal due to the 90% transfer rate. As such, marginal weight is given to this benefit.

Expenditure on capital works

58. A potentially key economic benefit associated with this Application is that arising from the expenditure on the proposed redevelopment of the Premises.
59. On the evidence of Mr Anderson, the Applicant is proposing to redevelop the Premises at an estimated cost of approximately \$1.5 million. The redevelopment of the Premises will include:
- (a) a heritage sensitive façade upgrade;
 - (b) a café/bar area;



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- (c) a 120 seat family friendly bistro;
- (d) a 140 seat function room / additional bistro area;
- (e) alfresco dining area;
- (f) welfare office space for the appointed welfare officer; and
- (g) creation of a gaming room to accommodate 50 EGMs.

60. In the NBA Report, Mr Anderson submitted that the proposed redevelopment would generate jobs and stimulate the local economy, as well as providing the Premises with a "new lease of life".
61. The Symplan Report accepts at page 18 that the proposed renovation would constitute an economic benefit, however the extent of that benefit cannot be assessed as *"the application documentation does not make mention of whether any supply contracts associated with the proposal will be sourced from the Rural City of Wangaratta"*.
62. The Commission was provided with a range of supporting plans of the proposed redevelopment. However, the Commission was not provided with any detailed costings for the redevelopment (other than the overall cost estimate of \$1.5 million) or any evidence identifying the proposed developer or workforce to be used for the redevelopment.
63. Following a request for further information, the Applicant confirmed that supply contracts have not been finalised given the planning permit application is in progress. While the Applicant has used local tradesman and service providers in the past, the renovation would have cost considerations that may necessitate contracting outside the Rural City of Wangaratta to *"ensure viability and for corporate governance purposes"*. The Applicant concluded that it fully intends to source all of the workforce from within the municipality *"unless the costs are substantially greater to do so"*.²⁰
64. Lieutenant General Power gave evidence that the proposed redevelopment is dependent on the full success of this Application. At the hearing, Lieutenant General Power gave evidence that the modelling conducted by the Applicant indicated that the relocation of the RSL was only viable with the operation of 50 EGMs at the Premises, rather than simply transferring the Applicant's existing 32 EGMs. He confirmed that the Applicant could not proceed with the relocation and redevelopment if approval was only granted to operate 32 EGMs at the Premises.

²⁰ Applicant letter dated 5 June 2017.



65. The Commission notes the VCAT decision in *Monash CC v L'Unico Pty Ltd*²¹ and, on the evidence of Lieutenant General Power, accepts that it is the assessment of the Applicant that the redevelopment could not occur without the full approval of this Application.
66. As a consequence, the Commission finds that the expenditure of capital works is a positive economic benefit and accepts the Applicant's evidence of the estimated value of the capital works to be approximately \$1.5 million. The Commission recognises that this expenditure is dependent upon the Application being granted, in that if this is not the case, the Applicant will not proceed with the proposed redevelopment of the Premises.
67. However, in light of the Applicant's assertion in its letter dated 5 June 2017 that the source of trades people for the redevelopment will be cost-dependent, the Commission cannot be certain to what extent this expenditure will actually benefit the municipality in which the Premises are based.
68. Overall, the Commission considers that the extent of the proposed expenditure on capital works is of a moderate nature but there is some uncertainty as to the extent to which the expenditure will be retained in the relevant municipality in which the Premises are located. As such, a marginal weight is given to this benefit.
69. In making this assessment, the Commission notes it is important that the benefits associated with the redevelopment are not double counted, having regard to the social impact that may result from the improved facilities and services. This aspect has been considered separately, and is detailed below at paragraphs 109 to 113.

Employment creation

70. The economic benefit of employment creation arising from this Application can be described as both short term and longer term:
 - (a) short term employment benefits that arise during the redevelopment of the Premises (related to but separate from the economic benefit associated with the expenditure on capital works); and
 - (b) longer term employment benefits arising from the expansion of services at the proposed Premises and anticipated increased patronage following the relocation of the Applicant to the Premises.

²¹ [2013] VCAT 1545.



71. In relation to short term employment benefits, the extent of the works have been described generally in paragraphs 59 to 62 above. As noted above, it is not clear to what extent this work will be undertaken by individuals who live in the relevant municipality. In the Applicant's letter dated 5 June 2017, the Applicant stated that it *"fully intends to source all of the workforce from within the Rural City of Wangaratta unless the costs are substantially greater to do so"*. The Symplan Report made no reference to jobs created during the renovation phase.
72. Based on the evidence presented, the Commission concludes that there remains sufficient uncertainty as to the source of the relevant workforce that it should not place any weight on this economic benefit. To the limited extent that it arises in relation to this Application, the Commission considers that the value of this benefit has been captured in the benefit associated with the expenditure on capital works considered in paragraphs 58 to 69 above.
73. Separate from the short term economic benefits associated with the capital works is the potential benefit associated with longer term employment arising from the Application.
74. In relation to this benefit, Mr Anderson stated in the NBA Report that the Application will potentially result in the Applicant hiring *"an additional 1 full time employee, an additional RSG officer, 1 full time traineeship, 1 school based traineeship as well as an additional 5 casual employees"*.²² Further, the Applicant intends to employ a part-time welfare officer with increasing hours to suit demand for such services. Mr Anderson concluded that the *"potential increase in employment opportunities within the Wangaratta area"* was an economic positive of the Application.²³
75. Under cross-examination, Mr Anderson accepted that there was the potential for some employment impact on other gaming venues in the local area, however could not assess the extent of this impact as he was not aware of how those other venues might respond if the Application was successful.²⁴
76. Mr Lyons gave evidence that, in addition to the additional employment outlined by Mr Anderson in paragraph 74 above, the Applicant intended to resume responsibility for catering operations (currently under contractual arrangement), which would generate seven additional jobs in the bistro area of the Premises (as it was anticipated that the six current catering employees would cease and 13 employees would be required to facilitate the increased catering operation at the Premises). Mr Lyons also confirmed that all of the Applicant's current employees are local to the Rural City of Wangaratta.

²² NBA Report, paragraph 15.

²³ NBA Report, pages 74-5.

77. At the hearing, Lieutenant General Power gave evidence consistent with Mr Anderson's summary of employment generation and Mr Lyons' evidence regarding the increase in jobs generated by the resumption of catering responsibilities by the Applicant.
78. In the Symplan Report, Ms Rosen stated that it was unclear whether any new employment opportunities at the Premises would satisfy the demand for jobs in the municipality and that "*the potential for a net increase in jobs in the municipality is limited*".²⁵ As such, Ms Rosen concluded that the impact of the Application on employment generation would be neutral.
79. The Commission accepts the evidence given on behalf of the Applicant that if the Application is granted, this will result in the creation of nine positions at the Premises in respect of its gaming operations (consisting of a mixture of full-time, part-time and casual positions) and an additional seven positions in respect of its resumption of catering operations at the Premises. While it considers that there will be a corollary loss of the catering jobs for those currently under contract as a result of the Applicant resuming responsibility for this service, as well as some additional employment transfer from within the municipality (i.e. from existing gaming and hospitality venues), the Commission is not satisfied that this would be sufficient to offset the creation of all new positions at the Premises so as to result in a net loss of employment within the Rural City of Wangaratta. In such circumstances, the Commission considers the additional employment arising from the Application as positive and, taking into account the anticipated numbers of employees and the potential for some transfer of local employment, gives this benefit low weight.

Community contributions

80. In determining the net economic and social impact of applications of this nature, both the Commission²⁶ and VCAT²⁷ have regularly treated community contributions as a positive benefit.
81. According to Mr Anderson, the Applicant has made welfare and charitable contributions in the amount of \$797,690 during the period 2013 to 2016, including over 15,000 hours of volunteer work.²⁸ The Applicant provides a combination of cash contributions and in-kind contributions, consisting of subsidised meals, free room hire and other member benefits. At the hearing, Mr Anderson noted that the Applicant would use the financial advantage presented by the Application to seek to retire debt and maintain its viability in the marketplace. However, he also

²⁴ Transcript, pages 60 to 61.

²⁵ Symplan Report, page 24.

²⁶ See, for example, *Richmond Football Club Ltd at Wantima Club premises* [2015] VCGLR 31 (24 July 2015).

²⁷ See, for example, *Melbourne CC v Kingfish Victoria Pty Ltd & Anor* [2013] VCAT 1130; *Bakers Arms Hotel Pty Ltd v Victorian Commission for Gambling and Liquor Regulation* [2014] VCAT 1192.

²⁸ NBA Report, paragraph 102.

emphasised the not-for-profit status and RSL welfare objectives which required the Applicant to contribute any surplus money generated towards community interests, such as the school scholarships program and the Hume Veterans Counselling Service.

82. The Applicant proposed that, in addition to its current contributions, it will, if the Application is approved:

- (a) employ a dedicated welfare officer on a part-time basis, with the potential to increase initial hours over time in order to adequately service demand across the RSL network; and
- (b) from the date of commencement of operation of EGMs at the Premises, contribute an additional \$25,000 per annum to be allocated primarily towards problem gambling and family violence services and:
 - (i) distribute this directly to local community organisations as agreed between the Applicant's welfare officer and Council's community development officer; or
 - (ii) in the absence of agreement, transfer this to Council for allocation to such organisations for the benefit of the community.

83. Lieutenant General Power gave evidence that the Applicant was willing to commit to the proposed increase in community contributions from the commencement of EGM operation at the Premises and was willing for a condition to be imposed on any approval of the Application.²⁹ He also stated that he was keen to increase other aspects of the Applicant's community contributions, such as the school scholarship programs.³⁰ In relation to the welfare officer, Lieutenant General Power gave evidence that the position would provide services not only to members of the Applicant and members of other RSLs within the catchment of the Applicant, but also to patrons exhibiting signs of potential problem gambling behaviours.³¹

84. In the Symplan Report, Ms Rosen considered community contributions as a social rather than economic benefit. Overall, she considered that the community contribution would be a benefit, however concluded that this benefit *"would be enhanced if these funds are allocated to members or groups within the community that are experiencing disadvantage or are at risk of gambling-related harms"*.³²

85. The Commission accepts the proposed community contributions and employment of a dedicated welfare officer will have a positive economic impact. The Commission is further

²⁹ Transcript, page 101, lines 36 – 47.

³⁰ Transcript, page 94, lines 22 – 31.

³¹ Transcript, page 93, lines 34 – 36; page 101, lines 24 – 34.

satisfied that the contributions will only occur if the Application is granted. Having regard to the increased amount of community contributions that will occur, and that these contributions will be made to a variety of community groups operating in Wangaratta and across the municipality (in accordance with conditions of any approval of this Application), the Commission considers these contributions to be a positive benefit to which it accords a marginal weight.

Increased gaming competition in the Rural City of Wangaratta

86. Increasing competition in gaming in the Rural City of Wangaratta is a factor in light of the statutory purposes of the Act and the consumer benefits that derive from competition.
87. The Commission refers to and has reliance on the evidence set out in paragraphs 54 to 56 in relation to the anticipated transfer of gaming expenditure within the Rural City of Wangaratta.
88. On the basis of an estimated adult population in the Rural City of Whittlesea of 21,049 for 2016, the Commission considers that this Application would (if approved):
 - (a) maintain the current number of approved venues within the municipality at four;
 - (b) increase the overall number of EGMs within the municipal limit of 214 entitlements by 18 from 136 to 154;
 - (c) increase the EGM density of the municipality in which the Premises are situated from 6.5 EGMs per 1,000 people to 7.3 EGMs per 1,000 people (compared with the regional average of 7.8 EGMs per 1,000 people and State average of 5.6 EGMs per 1,000 people); and
 - (d) result in new gaming expenditure in the municipality of approximately \$87,163 per annum.
89. In the Symplan Report, Ms Rosen identified competition as a potential economic impact and noted the "*modest increase in the numbers of EGMs*".³³
90. The Commission finds that this high transfer rate is indicative of an anticipated increase in the attractiveness of the new Premises to gaming patrons as compared with the Applicant's current venue. Having regard to the fact that there will be no additional gaming venue created as a result of the Application and the limited increase in total EGM numbers, the Commission finds that granting approval of the Application will increase gaming competition in the Rural City of Wangaratta, but only in a minor way. As such, the Commission has determined to give this impact marginal weight.

³² Symplan Report, page 25.



Gambling expenditure associated with problem gambling

91. To the extent that a portion of new expenditure is attributable to problem gambling, this represents an economic disbenefit.³⁴ In assessing the extent of this disbenefit, the Commission recognises that it does not include transferred expenditure because such expenditure cannot exacerbate problem gambling.³⁵ In assessing this impact (and other impacts involving problem gambling), the Commission recognises that harms associated with problem gambling may be experienced directly and indirectly as a consequence of gambling undertaken by those who may be defined as 'problem gamblers', as well as those who may be otherwise regarded as 'low-risk' or 'moderate-risk' gamblers.
92. In assessing the extent of this disbenefit, the Commission has regard to the expenditure evidence set out in paragraphs 54 to 57.
93. The extent to which it can be considered that new expenditure will be associated with problem gambling, and hence may be regarded as a disbenefit associated with this Application, will be influenced by the socio-economic status and vulnerability of the community in the area surrounding the Premises, as communities characterised by socio-economic disadvantage are considered to be more vulnerable to problem gambling and the negative impacts of gambling.
94. According to the NBA Report prepared by Mr Anderson and based on the catchment area discussed at paragraphs 37 to 41 above, features of the socio-economic characteristics of the surrounding area are that:
 - (a) the Rural City of Wangaratta is marginally more advantaged than other municipalities on average (with a SEIFA³⁶ Index of Relative Socio-economic Advantage and Disadvantage score of 981 and ranked 27th of 80 LGAs in Victoria);
 - (b) while the SA2 of Wangaratta is ranked in the 3rd decile for Victoria and demonstrates a relatively higher level of socio-economic disadvantage within Victoria, 85% of the

³³ Symplan Report, page 24.

³⁴ The Commission recognises that on review, the key likely disbenefit of 'problem gambling' has for convenience been treated under the heading of 'social impacts' in various instances: see *Mount Dandenong Tourist Hotel Pty Ltd v Greater Shepparton CC* [2012] VCAT 1899, [121] and following; *Melbourne CC v Kingfish Victoria Pty Ltd & Anor* [2013] VCAT 1130, [47] per Martin PM and Naylor M. However, this is not an approach that has been uniformly adopted: see, for example: *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [178] and following per Dwyer DP. For completeness the Commission considers both the economic and social impacts of problem gambling in its assessment of this Application.

³⁵ See *Bakers Arms Hotel Pty Ltd v Victorian Commission for Gambling and Liquor Regulation* [2014] VCAT 1192, [113] per Code PM and Nelthorpe M; *Kilsyth and Mountain District Basketball Association Inc v Victorian Commission for Gambling Regulation* [2007] VCAT 2, [40] per Morris J.

³⁶ Socio-Economic Indexes for Areas (SEIFA) is a product developed by the ABS that ranks areas in Australia according to relative socio-economic advantage and disadvantage. It consists of four different indexes, including the Index of Relative Socio-economic Disadvantage.



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surrounding SA2s within a 20km radius of the Premises rank within the 7th or 8th decile. Overall, this demonstrates that disadvantage is unevenly distributed within the LGA, and is centred on the township of Wangaratta (which is not unusual for a regional service centre town);

- (c) the area immediately surrounding the Premises contains a number of SA1s within the 1st and 2nd deciles, however many of these areas are predominantly industrial, commercial, public park and farming areas which traditionally score poorly on the SEIFA index. Importantly, the residential areas within 5km of the Premises exhibit a mixed level of disadvantage between the 3rd and 6th deciles;
- (d) with specific reference to the residents within approximately 5km of the Premises, the population exhibits:
 - (i) below average household and per capita incomes as compared with the municipality as a whole, as well as the state average;
 - (ii) a higher median age compared with the state average; and
 - (iii) a lower level of mortgage stress than the Victorian average, but a slightly higher level of rental stress, which may be indicative of students attending a tertiary education facility in the area.

95. According to the Symplan Report, Ms Rosen noted that:

- (a) although the Rural City of Wangaratta as a whole is comparable to Victoria in terms of vulnerability to the impacts of gambling-related harms, a comparison of socio-economic indicators between the urban centre of Wangaratta and Victoria indicates some increased vulnerability to the impacts of gambling-related harms based on:
 - (i) a higher level of rental stress (although balanced against a lower proportion of mortgage stress);
 - (ii) a higher proportion of lone person households (although balanced against a lower proportion of group households);
 - (iii) a higher proportion of vulnerable occupation groups (labourers, sales workers and machinery operators and drivers);
 - (iv) a higher proportion of Aboriginal and Torres Strait Islanders; and
 - (v) a higher youth population aged between 18-24 years;



- (b) in terms of SEIFA, a vast majority of current gaming patrons reside within 10km of the Premises which displays an above average level of socio-economic disadvantage. (Although the Commission notes that Ms Rosen used the Index of Relative Socio-Economic Disadvantage rather than the Index of Relative Socio-Economic Advantage and Disadvantage used by Mr Anderson, it considered that both indices indicate a similar level of above average disadvantage in the Wangaratta area);
- (c) the community that represents the largest proportion of patron profile of the Applicant is therefore at "*significant risk of gambling-related harms*" and any increase in EGM numbers is likely to exacerbate existing vulnerability;³⁷
- (d) despite low EGM expenditure in the Rural City of Wangaratta as compared to the regional average and specifically the current level of expenditure per EGM entitlement of the Applicant, EGM density within Wangaratta and the municipality will increase as a result of the Application and therefore has the potential to exacerbate gambling-related harms; and
- (e) although the operation of the venue as a club with reduced operating hours is a protective factor, the increased numbers of EGMs will make the Premises the largest venue in Wangaratta and therefore has the potential to increase the risks of gambling-related harms within the community.

96. At the public hearing, Mr Anderson disagreed with Ms Rosen's conclusion that any increase in the number of EGMs comes with a "*significant increase in risk of problem gambling*".³⁸ While such a conclusion may be appropriate for a new venue at a location that is not experienced with EGMs, Mr Anderson stated that this Application is different based on the existing operation of a majority of the requested 50 EGMs and the relatively low risk profile of patrons that generally attend RSL venues. Mr Anderson concluded that the "*relocation of the venue from the existing CBD location to [the Premises], with less pedestrian foot traffic, would potentially result in a decrease in problem gamblers using the [Applicant] to satisfy their gambling needs*".³⁹

97. In considering the extent to which any new expenditure may give rise to problem gambling, the manner in which gaming is to be conducted at the Premises is also a relevant factor. The Applicant is an experienced operator, with the Applicant's approach to the responsible service of gaming being supported by the evidence of Lieutenant General Power and Mr Lyons. Lieutenant General Power gave evidence that the Applicant fully recognised its responsibilities as a gaming operator. As evidence of the seriousness with which it regarded its obligations to

³⁷ Symplan Report, paragraphs 95 and 98.

³⁸ Transcript, page 22, lines 8 to 15.



govern a gaming venue appropriately, all board members are required to be RSG trained. Mr Lyons outlined in detail the approach taken by the Applicant to the responsible service of gambling and the improvements he had personally implemented since joining the Applicant in January 2017. Evidence was also provided with respect to the Applicant's engagement and staff training with Gambler's Help.

98. Mr Anderson concluded that problem gambling was a detrimental factor that would have a neutral negative impact on the municipality. In the NBA Report, he stated that *"it is not anticipated that the relocation of the 32 EGMs and the addition of 18 EGMs to the Wangaratta RSL Sub-Branch would cause an undue increase in problem gambling in the [Premises]"*.⁴⁰
99. In contrast, the Symplan Report (at page 26) indicated that the community within which the Premises are located *"displays multiple indicators of vulnerability to problem gambling"* (as outlined in paragraph 95 above) which would be exacerbated by this Application. As such, the increased risk of problem gambling would have a detrimental impact that should be allocated a high weight by the Commission.
100. The Commission finds that this Application will result in new expenditure being generated of approximately \$87,163 per annum. It accepts that a proportion of this expenditure will be associated with problem gambling. Further, the Commission finds that the catchment area of the Premises (as identified in paragraphs 37 to 41) exhibits slightly higher levels of socio-economic disadvantage as compared with the municipality as a whole, however the indicators of vulnerability to problem gambling are broadly similar to the state averages. However, the Commission acknowledges that there is significant benefit to the proposed relocation of the Applicant's venue from within the strip-shopping urban centre of Wangaratta to the outskirts of the CBD, and the substantial improvement to the layout of the gaming room and its relative position to non-gaming offerings in the Premises. Taking into account the above findings, the Commission is satisfied that the potential for an increase in problem gambling as a result of this Application is low. The Commission is also satisfied that the Applicant is an experienced gaming operator with robust responsible service of gambling practices with a proactive relationship with Gambler's Help. As such, while the Commission finds that there is an economic disbenefit associated with problem gambling as a result of this Application, it places a low weight on this factor. Issues associated with the negative social impacts associated with problem gambling are considered further in paragraphs 118 to 120 below.

³⁹ NBA Report, paragraph 231.

⁴⁰ NBA Report, page 74.

Diversion of trade from other gaming venues

101. Mr Clyne gave evidence that the relocation and increase of EGM numbers at the Premises would cause a diversion of trade from other gaming venues within the municipality. In this regard, the Commission refers to and relies on the expenditure evidence set out in paragraphs 54 to 57. At the hearing, Mr Clyne stated that the impact on these other gaming venues would not be substantial.⁴¹
102. As noted in paragraph 75 above, Mr Anderson accepted that there was the potential for some impact on other gaming venues in the local area as a result of transferred expenditure, however could not assess the extent of any impact as he was not aware of how those other venues might respond if the Application was successful.
103. Prior to the hearing, the Commission received a submission from the Wangaratta Club dated 11 May 2017, opposing the Application on the basis that *"the majority of [the] transferred funding would be directly from our current EGM income"* and would make the Club financially unviable. After the hearing, the Commission received a further letter from the Wangaratta Club dated 31 May 2017 which again indicates the Wangaratta Club's concern that approximately half of the anticipated transferred expenditure would come from the Wangaratta Club. In response to this letter, the Applicant referred to the discrepancies between the evidence presented at the hearing and the assertions made by the Wangaratta Club.
104. The Symplan Report does not contain any information regarding the impact of the Application on other gaming operators in the Rural City of Wangaratta. Furthermore, as noted above in paragraph 23, the Council did not call Ms Rosen or a representative of the Wangaratta Club to give evidence at the hearing of the Application. As such, the Council relied on its submission that there would be a negative impact on the other gaming venues within Wangaratta as a result of this Application given that 90% of the anticipated increased gaming expenditure at the Premises would be transferred from those other gaming venues.
105. The Commission considers that while the Wangaratta Club is understandably concerned as to the impact the approval of this Application may have on its business, it appears that this is based on a mistaken belief as to the extent of the anticipated transferred expenditure to be derived from its venue. Although any diversion of trade is likely to have some detrimental impact on the Wangaratta Club, the Commission considers that such impact must be balanced against one of the purposes of Chapter 3 of the Act, being to *"promote a competitive gaming industry"*.

⁴¹ Transcript, page 70, lines 1 to 8.



106. Overall, the Commission considers that the anticipated diversion of trade will impact on the other gaming venues in the Rural City of Wangaratta, however the extent of that diversion is only likely to have a minor detrimental economic impact. Having regard to these factors, the Commission assigns marginal weight to this impact.

Conclusion on economic impacts

107. After considering the economic benefits of the proposal and balanced against the detriments, the Commission considers that, on balance, the proposal is likely to have a neutral economic impact.

Social Impacts

108. The materials before the Commission, together with the evidence adduced at the public hearing, detailed a range of social benefits and disbenefits associated with the Application.

Improved facilities

109. Ancillary to the capital works expenditure that will occur if this Application is granted, the redevelopment will result in improved facilities being available to be patronised by the community. Access to such improved facilities is an outcome that the Commission⁴² and VCAT⁴³ have regularly determined is a positive social impact associated with applications of this nature.

110. The nature of these improved facilities has been described at paragraph 59. According to Mr Anderson, the proposed relocation will also see the Premises “*opened up to the view of the River Ovens and provide an attractive vista for the alfresco areas of the [Premises]*”.⁴⁴ This would accord with the Council Masterplan for the area, which seeks to “*increase nighttime activity at Sydney Beach which currently isn’t visited after dark ... by encouraging the nighttime activities occurring along the riverside precinct into the park and changing people’s perception of safety or local interest after dark*”.⁴⁵ Mr Anderson notes that the Masterplan recognises the possibility of the Applicant relocating to the Premises as part of improving connection between the Wangaratta CBD and the Sydney Beach area.

111. At the hearing, Lieutenant General Power gave evidence that the current venue is small, dysfunctional in its layout and design, and requires its elderly members to negotiate stairs to

⁴² See, for example, *Glenroy RSL Sub-branch Inc at Glenroy RSL premises* [2015] VCGLR 40 (22 October 2015).

⁴³ See, for example, *Bakers Arms Hotel Pty Ltd v Victorian Commission for Gambling and Liquor Regulation* [2014] VCAT 1192.

⁴⁴ NBA Report, paragraph 116.

⁴⁵ Council Masterplan, quoted in NBA Report, paragraph 143.

access the venue. The benefits of the relocation would include a larger, single-storey venue with enhanced accessibility for its members and provide an ability to grow its membership base and continue to provide a variety of entertainment and welfare services to those members.⁴⁶

112. The Symplan Report noted that the Application involves the “*enhancement of existing non-gaming infrastructure and facilities currently provided at the existing venue*” which constitutes a social benefit.⁴⁷ Ms Rosen concluded that this benefit was “*moderate given that the proposal involves an improvement rather than the increase or diversification of facilities that are currently available in the municipality*”.⁴⁸ Ms Rosen also noted that the improved facilities have the potential to contribute to increased tourism in the municipality, however as similar types of facilities already exist elsewhere in Wangaratta, this benefit should be considered low.

113. The Commission refers to its findings in paragraph 66 above that the redevelopment of the Premises will only proceed if this Application is approved, and it is therefore appropriate to consider the social benefits arising from the community's access to and use of the improved facilities as benefits of this Application. As such, the Commission finds that the proposed relocation to the Premises will enable the Applicant to renovate and improve facilities at the Premises consistent with the Council's overall intentions to enhance the riverside precinct under the Council Masterplan. The Commission also finds that the improved accessibility of the Premises for members is a benefit for particular members with accessibility concerns. The Commission regards access to such improved facilities and enhanced range of services as a positive social impact, upon which it places moderate weight.

Increased gaming opportunities for those who enjoy gaming

114. Related to the economic benefit of increased competition is the social benefit that arises from there being increased gaming opportunities for those who enjoy gaming.

115. Having regard to the evidence and submissions made with respect to increased gaming competition in the Rural City of Wangaratta and more generally that contained in paragraph 56 in relation to the calculation of expenditure figures, the Commission finds that granting approval of the Application will better serve the needs of gaming patrons in only an insignificant manner. Given the limited increase in the total number of EGMs in the Rural City of Wangaratta, the Commission considers this to be a negligible social benefit and hence one on which it places no to marginal weight.

⁴⁶ Transcript, pages 91-92.

⁴⁷ Symplan Report, paragraph 85.

⁴⁸ Symplan Report, page 25.

Social benefit derived from increased community contributions

116. Related to the financial impact associated with increased community contributions, such contributions can also have a positive social impact by improving the social fabric of the community in which they are made. In assessing the weight to be placed on such a benefit, it is important that the Commission does not conflate this benefit with the economic benefit associated with such contributions.
117. Having regard to the evidence and submissions made with respect to these community contributions that are set out in paragraphs 80 to 85, the Commission considers the community contributions (distributed in accordance with conditions of any approval of this Application) and the impact on local community organisations to be a social benefit which is given low weight.

Possibility of increased incidence and potential impact of problem gambling on community (including family violence)

118. Wherever accessibility to EGMs is increased, there is a risk of an increase in problem gambling, which leads to other costs such as adverse health outcomes, family breakdowns and other social costs. Accordingly, the Commission accepts that there is potential for a negative social impact through possible increased problem gambling expenditure.
119. The Commission refers to and relies upon the evidence set out in paragraphs 91 to 100 with respect to the economic impact of problem gambling on the community, which equally apply to the social impact of problem gambling.
120. The Commission accepts (as outlined in paragraph 91 above) that harms associated with the incidence of problem gambling are wide-ranging and attributable to all categories of gamblers ('low-risk', 'moderate-risk' and 'problem gamblers') and across the community more broadly.
121. In relation to the issue of family violence, Ms Rosen noted in the Symplan Report the growing evidence that gambling is associated with family violence. Specifically in relation to gambling on EGMs, Ms Rosen referred to recent research indicating a correlation between EGM density at the postcode level and incidents of family violence, finding that postcodes with no EGMs were associated with 20% fewer family incidents per 10,000 and 30% fewer domestic violence assaults per 10,000, when compared with postcodes with 75 EGMs per 10,000.⁴⁹ Ms Rosen also stated that the Rural City of Wangaratta has experienced an increase in the rate of family incidents between 2015 and 2016 of 26.1%, well higher than the increases across the eastern

⁴⁹ Symplan Report, paragraph 59.



region of Victoria (5.6%) and Victoria (5.7%).⁵⁰ Under cross-examination, Mr Anderson agreed with this figure, however also indicated that the increase and decrease of family incidents in Wangaratta fluctuated over the recent years (8% decrease between 2014 and 2015, 9% increase between 2013 and 2014, 1% decrease between 2012 and 2013, 32% increase between 2011 and 2012). Mr Anderson was not able to identify the cause of such fluctuations.⁵¹

122. During the hearing, Mr Anderson acknowledged that while the research may indicate a *correlation* between EGM density and family violence, this does not provide evidence of any causal link between EGM density and family violence. He noted that many of the recent research reports indicate that “*further work is required, and that there is no clear evidence at this point in time of a direct link between family violence and problem gambling*”.⁵²
123. The Commission notes the above average increase in family violence incidents between 2015 and 2016, however accepts that there have been significant fluctuations in the reported figures in recent years. The Commission acknowledges the general body of research regarding the links between problem gambling and family violence, and accepts that recent research establishes a correlation at the postcode level between EGM density and incidents of police-recorded domestic violence. While it acknowledges this emerging research and supports further work in this area, the Commission is not satisfied that the available evidence establishes a causal link between EGMs and family violence such as would support a finding that an impact of this Application would be an increase on existing levels of family violence.
124. The Commission refers to and relies on its findings relating to problem gambling in paragraph 100 above. Finding that the risk of problem gambling arising as a result of this Application is low, the Commission considers that it is a negative social impact upon which it places a low weight in this Application.

Community attitude

125. As was determined in *Macedon Ranges Shire Council v Romsey Hotel Pty Ltd and Anor*,⁵³ the Commission recognises that while community apprehension is not an over-riding factor (in the sense that the Application is not a referendum on gaming), it is certainly a relevant factor in the consideration of particular social impact as part of the ‘no net detriment’ test.

⁵⁰ Symplan Report, paragraph 62.

⁵¹ Transcript, page 56, lines 21 to 29.

⁵² Transcript, page 23, lines 37 to 39.

⁵³ (2008) 19 VR 422, [44] per Warren CJ, Maxwell P And Osborn AJA. See also *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors* [2013] VCAT 101, [73] per Dwyer DP.



126. The evidence before the Commission indicates that the general community attitude towards this Application has been mixed. In summary, the Commission was presented with the following evidence of community opposition towards the Application:
- (a) the Council, as the representative body of the relevant community and charged with statutory duties under various pieces of legislation, made a submission in opposition to the Application and appeared at the public hearing of the Application;⁵⁴
 - (b) a total of 25 public objections (provided by Council or received directly by the Commission in both templated and non-templated form) raised concern about the likely impacts of the Application (such as the existing number of EGMs in the community and gambling problems faced by the community); and
 - (c) the public objection from the Wangaratta Club (as detailed in paragraph 103 above).
127. At the hearing, Mr Anderson gave evidence of community support for the Application based on positive media reporting and personal discussions with both the Applicant and Council officers. In the NBA Report, Mr Anderson concluded that the *“general attitude of the community appears to be extremely positive towards the [Applicant], with a large show of support in the form of some 819 local members recorded”*.⁵⁵
128. Lieutenant General Power also gave evidence at the hearing that there had been a general level of community excitement at the prospect of the Applicant's relocation to the Premises, which was supported by the recent increase in membership numbers.⁵⁶
129. Overall, the Commission is satisfied that there is a mixed attitude by the community of Wangaratta to this Application, which is not unexpected in these types of applications. While it does not agree with Mr Anderson's conclusion that the total number of RSL members is evidence of support for the specific Application, the Commission finds that the recent growth in membership numbers of the Applicant may reflect a general level of enthusiasm for the Applicant's relocation from its current venue to the Premises rather than explicit support for the Application. In all of the circumstances and taking into account Council's position in relation to the Application, the Commission considers that community attitude is a social disbenefit of this Application to which the Commission considers it appropriate to attribute marginal weight.

⁵⁴ See also *Branbeau Pty Ltd v Victorian Commission for Gambling Regulation* [2005] VCAT 2606 at [42]; *Romsey Hotel Pty Ltd v Victorian Commission for Gambling Regulation (Romsey #2)* [2009] VCAT 2275 at [249] and [288]-[321].

⁵⁵ NBA Report, page 75.

⁵⁶ Transcript, page 96, lines 42 to 47.

Conclusion on social impacts

130. After considering the social benefits of the proposal and balanced against the detriments, the Commission considers that, on balance, there is likely to be a small positive social impact of the proposal.

NET ECONOMIC AND SOCIAL IMPACT

131. The no net detriment test in section 3.3.7(1)(c) of the Act requires the Commission to weigh the likely positive social and economic impacts of an application against the likely negative social and economic impacts. The test will be satisfied if, following the weighing of any likely impacts, the Commission is satisfied that the net economic and social impacts of approval on the well-being of the relevant community will be either neutral or positive.⁵⁷
132. According to Mr Anderson, the benefits of this Application of the proposed community contributions, formalisation of a paid welfare officer position, relocation of the Applicant and redevelopment of the Premises (resulting in both economic stimulus and improved social facilities for members) and employment creation should be considered favourably due to their direct impact on the community of the Rural City of Wangaratta. While accepting that the key disbenefit of the Application was the potential for increased problem gambling, Mr Anderson concluded that the change in problem gambling behaviour was likely to be minimal due to the key protective factors of the type of venue (RSL club), dedication to responsible gambling measures and limited opening hours, in addition to the relocation of EGMs from a convenient to a more destination venue. In summary, Mr Anderson concludes that the *"application for the relocation of the venue to the renovated [Premises] and the addition of 18 EGMs to the [Applicant] will result in a positive benefit to the local community"*.⁵⁸
133. The Council submitted that the Commission ought refuse the Application to the extent that it sought to increase the number of EGMs operated by the Applicant. While the Symplan Report concluded that the *"social and economic impact on the well being of the community of the Rural City of Wangaratta and local community within which the proposal is located will be neutral"*,⁵⁹ the Council submitted that Ms Rosen had failed to take into account the impact of the Application on other gaming venues (such as the Wangaratta Club), and taking that impact into account, the Council argued that the Application, on balance, would have a negative impact on the community. In particular, the Council referred to and relied on the potential for the

⁵⁷ *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [52] per Dwyer DP.

⁵⁸ NBA Report, paragraph 246.

⁵⁹ Symplan Report, paragraph 134.

Application to cause or exacerbate gambling-related harms and the extent that these impacts will cause disproportionate harm to those most at risk of such harms. As such, the Council sought to rely on the individual assessment of impacts outlined in the Symplan Report, but not rely on Ms Rosen's ultimate conclusion given the asserted failure to consider the impact of the Application on other gambling operators.

134. In its final submissions, the Applicant contended that Ms Rosen had taken into account the impact this Application would have on the other gambling operators. This impact was referred to in the Symplan Report as one which is "*typically considered*" in such impact assessments, and it was therefore open to find that Ms Rosen had turned her mind to this issue and determined that it would not have had an appreciable impact on those other operators. The Applicant submitted that it was ultimately unknown whether Ms Rosen turned her mind to this impact as the Council did not call her as a witness or seek to file any supplementary report from her to expressly address the issue.
135. As noted in paragraph 23 above, the Commission has placed reduced weight on the Symplan Report as its contents were unable to be fully tested during the inquiry. The Commission notes that the Symplan Report concluded that the cumulative impact of the Application on the community would be neutral and, in the absence of further evidence, cannot accept the Council's submissions that this conclusion would have changed if further consideration had been given by Ms Rosen to the impact on other gambling operators.
136. After consideration of the material before it, including the evidence provided at the public hearing, and weighted as outlined above and summarised in tabular form at Appendix One of these Reasons for Decision, the Commission has concluded that there is likely to be a small net positive social and economic impact to the well-being of the community in the municipal district in which the Premises are located if the Application is approved.

OTHER RELEVANT CONSIDERATIONS

137. On the material that has been put before it, the Commission has determined that the '*no net detriment*' test has been satisfied and is also satisfied of the other matters in section 3.3.7(1). However, there remains a discretion in the Commission to determine whether or not to approve the Application.
138. The Commission is satisfied that the Applicant understands and will continue to act in accordance with its obligations to, so far as is reasonable, take measures to prevent problem gambling. Further, the Commission is not aware of any other matter that would warrant it to



refuse to grant this Application. Accordingly, the Commission is satisfied that it should exercise its discretion to approve the Application.

139. The Commission was told during the hearing that the Applicant would be prepared to accept conditions with respect to the payment of community contributions should the Application be approved. In granting approval, the Commission believes it is appropriate that its approval should be subject to conditions relating to this matter. In the circumstances, the Commission considers the following condition should apply with respect to its approval:

Community Contributions

- (a) *From the date of commencement of the operation of more than 32 EGMs at the Premises, the Venue Operator is to:*
 - (i) *make annual community contributions in the amount of \$25,000 (the Contribution) for so long as more than 32 EGMs operate at the Premises;*
 - (ii) *the Contribution will be allocated each year to local community groups primarily providing problem gambling and family violence services and facilities to residents in the Rural City of Wangaratta.*
- (b) *On an annual basis, the Contribution will either be:*
 - (i) *distributed directly to local community organisations as agreed between the Applicant and Council representatives; or*
 - (ii) *in the absence of agreement, transferred to Council for allocation to such organisations for the benefit of the Wangaratta community.*
- (c) *If the Contributions are not distributed as required, the maximum number of permitted EGMs at the Premises will revert to 32 EGMs for as long as the Contributions remain outstanding.*

140. The Commission also recognises that the Premises are still to undergo substantial refurbishment before they will be in a position to operate as a gaming venue. As such, it is a further condition of the approval that the approval does not take effect until the Commission has notified the Applicant, in writing, that the Premises has been inspected for the purpose of section 3.3.7(1)(c) and the Commission is satisfied at that time that the Premises are suitable for the management and operation of EGMs.

The preceding 140 paragraphs are a true copy of the Reasons for Decision of Ms Helen Versey, Deputy Chair, and Ms Deirdre O'Donnell, Deputy Chair.

Appendix One

Summary of social and economic impacts

The following table is a summation of the economic and social benefits and disbenefits considered by the Commission in reaching its decision. The table is to be read in conjunction with the main body of the Reasons for Decision, as the weight attributed to each factor is determined in light of the particular circumstances of the Application and the evidence presented.

Economic impacts

	Impact	Paragraph Reference	Comments relevant to weight
Benefits	<i>Gaming expenditure not associated with problem gambling</i>	53 to 57	<p>The portion of new expenditure not attributable to problem gambling is an economic benefit.</p> <p>Expenditure expert predicted an anticipated transfer rate of 90%, with new expenditure anticipated at approximately \$87,163.</p> <p>The catchment area of the Premises exhibits slightly higher levels of socio-economic disadvantage as compared with the municipality as a whole, however the indicators of vulnerability to problem gambling are broadly similar to the state averages.</p> <p>As a result of the anticipated transfer rate of 90%, the extent of new expenditure at the Premises is expected to be marginal.</p> <p>Marginal weight.</p>
	<i>Expenditure on capital works</i>	58 to 69	<p>Heritage sensitive façade upgrade and creation of bistro, café, function room, alfresco dining area and gaming room containing 50 EGMs.</p> <p>The extent of the expenditure on capital works in the amount of \$1.5 million is of a moderate nature but there is some uncertainty as to the extent to which the expenditure will be retained in the relevant municipality in which the Premises are located.</p> <p>Marginal weight.</p>



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	<i>Employment creation</i>	70 to 79	<p>The Application will result in the creation of nine jobs (a mixture of full-time, part-time and casual positions) across the Premises associated with the operation of the gaming room.</p> <p>There is likely to be some transferred employment from nearby gaming and hospitality venues within the municipality, however not sufficient to offset the creation of the nine FTE positions.</p> <p>The creation of seven additional positions for the resumption of responsibility for catering operation will result in a corollary loss of the current six catering positions under contract.</p> <p>The additional employment is a positive economic impact but somewhat uncertain.</p> <p>Low weight.</p>
	<i>Community contributions</i>	80 to 85	<p>The proposed community contributions represents an increase of \$25,000 per annum for the term of the gaming machines operation, in addition to the employment of a dedicated welfare officer on a part-time basis.</p> <p>These contributions (distributed in accordance with conditions of any approval of this Application) will have a small positive economic impact on community groups operating in Wangaratta and across the municipality.</p> <p>Marginal weight.</p>
	<i>Increased gaming competition in the City of Whittlesea</i>	86 to 89	<p>The Application will increase gaming competition in the Rural City of Wangaratta by providing an additional 18 EGMs at a more attractive venue at which patrons may choose to play EGMs as compared with the Applicant's current venue.</p> <p>Benefit is limited as the Application will not result in the creation of an additional venue in Wangaratta and the limited increase in the number of EGMs in the Rural City of Wangaratta.</p> <p>Marginal weight.</p>



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Disbenefits	<i>Gambling expenditure associated with problem gambling</i>	91 to 100	<p>The portion of new expenditure attributable to problem gambling is an economic disbenefit.</p> <p>The catchment area of the Premises exhibits slightly higher levels of socio-economic disadvantage as compared with the municipality as a whole, however the indicators of vulnerability to problem gambling are broadly similar to the state averages.</p> <p>Significant benefit to the proposed relocation of the Applicant's venue from within the strip-shopping urban centre of Wangaratta to the outskirts of the CBD, and substantial improvement to the layout of the gaming room and its relative position to non-gaming offerings at the Premises.</p> <p>The Applicant is an experienced gaming operator with robust responsible service of gambling practices, and a strong recognition at board level of its responsibilities as a gaming operator.</p> <p>Low weight.</p>
	<i>Diversion of trade from other gaming venues</i>	101 to 106	<p>The anticipated transfer rate of 90% is expected to be spread across the existing gaming venues within the Wangaratta municipality.</p> <p>Each hotel operator is anticipated to experience an approximate reduction of 12% of current gaming revenue, with the Wangaratta Club anticipated to experience an approximate reduction of 10% of current gaming revenue.</p> <p>Concerns of the Wangaratta Club as to its financial viability based on mistaken belief that majority of transferred expenditure would be derived from its venue.</p> <p>Marginal weight.</p>

Social impacts

	Impact	Paragraph Reference	Comment relevant to weight
Benefits	<i>Improved facilities</i>	109 to 113	<p>The Application includes a proposed redevelopment to improve facilities at the Premises and enable a greater range of services.</p> <p>Relocation would improve accessibility to current and future members of the Applicant and provide an ability to grow its membership base.</p> <p>Relocation and improvement to the Premises is consistent with the Council's Masterplan to enhance the riverside precinct and increase its tourism focus.</p> <p>Moderate weight.</p>
	<i>Increased gaming opportunities for those who enjoy gaming</i>	114 to 115	<p>The Application will better serve the needs of gaming patrons through providing an additional 18 EGMs at the Premises.</p> <p>However, very limited benefit in light of the limited increase in the number of EGMs in the Rural City of Wangaratta.</p> <p>No to marginal weight.</p>
	<i>Social benefit derived from increased community contributions</i>	116 to 117	<p>Level of community contributions (distributed in accordance with conditions of any approval of this Application) and the impact on local community organisations considered to be a social benefit.</p> <p>Low weight.</p>



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Disbenefits	<i>Possibility of increased incidence and impact of problem gambling on community</i>	118 to 121	<p>A proportion of total gaming expenditure at the Premises will be associated with problem gambling contributed by a small proportion of total gaming patrons at the Premises.</p> <p>Adverse impacts include health, jobs, finances, emotional states and relationships.</p> <p>The catchment area of the Premises exhibits slightly higher levels of socio-economic disadvantage as compared with the municipality as a whole, however the indicators of vulnerability to problem gambling are broadly similar to the state averages.</p> <p>Balanced against this, there is a significant benefit to the proposed relocation of the Applicant's venue from within the strip-shopping urban centre of Wangaratta to the outskirts of the CBD, and substantial improvement to the layout of the gaming room and its relative position to non-gaming offerings at the Premises.</p> <p>The Applicant is an experienced gaming operator with robust responsible service of gambling practices, and a strong recognition at board level of its responsibilities as a gaming operator.</p> <p>Venue-specific factors will reduce risk of problem gambling (club rather than hotel, limited operating hours).</p> <p>New research indicating correlation between EGM density and family violence. Wangaratta has fluctuating family violence statistics, with above average increase in family violence incidents between 2015 and 2016.</p> <p>Lack of evidence of causality of family violence due to EGM density.</p> <p>Low to moderate risk of an increase on existing levels and impact of problem gambling if Application is approved.</p> <p>Low weight.</p>
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	<i>Community attitude</i>	125 to 129	<p>A small number of individuals submitted opposition to the Application and raised concern with impacts of the Application (existing number of EGMs in community and gambling problems faced by community).</p> <p>Some general media reporting and increase in membership base of the Applicant provides limited evidence of community support of the specific Application.</p> <p>Overall, evidence indicates that general community attitude towards the Application is mixed.</p> <p>Council's opposition to the Application is a relevant factor.</p> <p>Marginal weight.</p>
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