

Victorian Commission for Gambling and Liquor Regulation

DECISION AND REASONS FOR DECISION

In the matter of an application under section 3.4.17(1)(b) of the *Gambling Regulation Act 2003* by Yarraville Club Inc for amendment of its venue operator's licence to vary the number of electronic gaming machines at the approved premises, the Yarraville Club, located at 135 Stephen Street, Yarraville, from seventy-eight (78) to one hundred and three (103).

Commission:

Mr Ross Kennedy, Deputy Chair
Ms Helen Versey, Deputy Chair

Appearances:

Mr John Larkins of Counsel for the Applicant (instructed by LGS Legal)

Ms Amy Rudolph as Counsel Assisting the Commission

Date of Hearing:

22 September 2015

Date of Decision:

28 October 2015

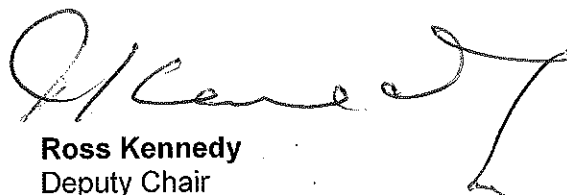
Date of Reasons:

28 October 2015

Decision:

The application is granted subject to the condition outlined in Paragraph 109 of these Reasons for Decision

Signed:



Ross Kennedy
Deputy Chair



REASONS FOR DECISION

INTRODUCTION

1. This is an application by Yarraville Club Inc (**the Applicant**) to the Victorian Commission for Gambling and Liquor Regulation (**the Commission**) for amendment of its venue operator's licence to vary the number of electronic gaming machines (**EGMs**) operating at the Yarraville Club, 135 Stephen Street, Yarraville, Victoria (**the Premises**), from 78 to 103 (**the Application**).
2. The Premises is located in the City of Maribyrnong and the relevant municipal authority is the Maribyrnong City Council (**the Council**).
3. By letter to the Commission dated 31 July 2015, the Council indicated that it would make submissions in opposition to the Application. On 26 August 2015, the Council made their submissions to the Commission and lodged their social and economic impact assessment report.
4. The Council advised the Commission by email on 31 August 2015 that they would not be attending the hearing of this Application. Accordingly the Commission was not able to explore the Council's objections further at the hearing.

THE LEGISLATION AND THE TASK BEFORE THE COMMISSION

5. Gambling on EGMs is a legal recreational and commercial activity in Victoria so long as it is done in accordance with the *Gambling Regulation Act 2003* (**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.
6. The objectives of the Act are set out in s 1.1, which provides, inter alia:
...
(2) *The main objectives of this Act are—*
 - (a) *to foster responsible gambling in order to—*
 - (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.*

7. 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 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.*

8. The relevant provision concerning this Application is to be found in s. 3.4.17(1)(b) of the Act, which states that variation of the number of EGMs permitted in an approved venue may be amended in accordance with this Division.

9. Section 3.4.20 sets out matters that are for consideration before the Commission with respect to a proposed amendment. Relevantly for this Application that section provides, inter alia:

- (1) *Without limiting the matters which the Commission may consider in deciding whether to make a proposed amendment the Commission must not amend a venue operator's licence unless—*



- ...
- (b) *if the proposed amendment will result in an increase in the number of gaming machines permitted in an approved venue, the Commission is satisfied that the regional limit or municipal limit for gaming machines for the region or municipal district in which the approved venue is located will not be exceeded by the making of the amendment; and*
 - (c) *if the proposed amendment will result in an increase in the number of gaming machines permitted in an approved venue, the Commission is satisfied that the net economic and social impact of the amendment will not be detrimental to the well-being of the community of the municipal district in which the approved venue is located;*
- ...

10. Paragraph 3.4.20(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.¹
11. 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:
- (a) the likely economic impacts of approval;
 - (b) the likely social impacts of approval; and
 - (c) the net effect of those impacts on the well-being of the relevant community.²
12. As such, the '*no net detriment*' test is a composite test requiring consideration of a single net impact in economic and social terms on well-being of the community.³ 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.
13. 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.⁴ On review, decisions in the Victorian Civil and Administrative

¹ *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [52] per Dwyer DP.

² *Macedon Ranges Shire Council v Romsey Hotel Pty Ltd* (2008) 19 VR 422, [42]-[43] per Warren CJ, Maxwell P and Osborn AJA.

³ *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.

⁴ *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [57] per Dwyer DP.



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 the economic side, or the social side, or both, so long as it is included and not double-counted in the ultimate composite test.⁵

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.*⁶

This approach has been adopted in a number of VCAT decisions.⁷ The Commission has adopted the same approach in this instance to add clarity to its decision making process.

15. If the Commission is not satisfied that the 'no net detriment' test is met, then an application must fail in accordance with the opening words of s 3.4.20(1) of the Act. The test is a mandatory precondition to approval. However, although s 3.4.20(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.⁸ The Commission must decide whether to make the proposed amendment, with or without any changes from that proposed by the Applicant, even where the applicant has satisfied the minimum threshold of the 'no net detriment' test.⁹

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;¹⁰ 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.¹¹

⁵ 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.

⁶ *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [60] per Dwyer DP.

⁷ 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.

⁸ See *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; see also *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [97] and following per Dwyer DP (with respect to s. 3.3.7).

⁹ *Gambling Regulation Act 2003*, section 3.4.20(2).



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*¹² 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.

MATERIAL BEFORE THE COMMISSION

18. The Applicant provided the Commission with the following material in support of its Application:
- (a) Social and Economic Impact Assessment, prepared by NBA Group (**NBA**), dated June 2015;
 - (b) Expenditure Report, prepared by ShineWing Australia Pty Ltd (**ShineWing**), dated 9 June 2015;
 - (c) Witness Statement of Kate Elizabeth Barron, Operations Manager of the Applicant, dated 7 June 2015;
 - (d) Witness Statement of Christopher James Byrne, Venue Operator Nominee, Public Officer & Secretary of the Applicant, dated 24 June 2015;
 - (e) Witness Statement of Leigh James Barrett, Director and Principal Consultant of Leigh Barrett and Associates Pty Ltd, dated 19 May 2015;
 - (f) Addendum Report prepared by NBA dated 14 September 2015;
 - (g) Addendum Report prepared by ShineWing dated 18 September 2015; and
19. Prior to the hearing the Maribyrnong City Council provided their Social and Economic Impact Assessment Submission and Report dated August 2015 (**Council Report**).
20. The following material, prepared by Commission officers, was provided to the Applicant and considered by the Commission:

¹⁰ *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors*. [2013] VCAT 101, [98] per Dwyer DP.

¹¹ *Ocean Grove Bowling Club v Victorian Commission for Gaming 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.

¹² [2013] VCAT 101, [98].



- (a) Report titled *Economic and Social Impact Report*, dated September 2015 (**VCGLR Report**); and
- (b) Report titled *Pre-Hearing Inspection and Compliance Report*, dated 17 September 2015 (**Inspection Report**).

- 21. Prior to the hearing the Commissioners undertook a site visit of the Premises.
- 22. On the day of the hearing, the Commission was provided with written submissions dated 21 September 2015 prepared by Mr John Larkins, Counsel for the Applicant.

CITY OF MARIBYRNONG AND THE YARRAVILLE CLUB

- 23. The Premises is located at 135 Stephen Street, Yarraville. It is located on the east side of Stephen Street which is within a residential area and is situated to the east of the Yarraville town centre and train station.

- 24. The Premises currently comprises:

- (a) bistro and dining area that includes an enclosed children's play area;
- (b) large function/ball room;
- (c) smaller function room;
- (d) members lounge;
- (e) sports bar and TAB;
- (f) billiards and snooker lounge;
- (g) gaming lounge;
- (h) offices, amenity and staff facilities; and
- (i) off-street parking.

- 25. As detailed in the VCGLR Report:

- (a) The City of Maribyrnong is a metropolitan Local Government Area (**LGA**) located approximately 6 kilometres west of Melbourne, and covers approximately 31 square kilometres. It incorporates the suburbs of Braybrook, Footscray, Kingsville, Maidstone, Maribyrnong, Seddon, Tottenham, West Footscray and Yarraville, and is bounded by the



City of Hobsons Bay to the south, the City of Melbourne to the east, the City of Brimbank to the west and the City of Moonee Valley to the north.

- (b) The City of Maribyrnong has an estimated adult population of 67,387 and the annual rate of population growth was projected by the then Victorian Department of Transport, Planning and Local Infrastructure to be 3.1% for the period 2016 to 2021, as compared with the Victorian average of 1.7%.
- (c) The City of Maribyrnong is subject to a regional limit of 511 EGMs.¹³ Currently, there are 10 gaming venues within the municipality with approvals to operate a total of 415 EGMs, however, the number of EGMs actually in operation in these venues, as opposed to the number permitted to be operated, is 402 EGMs.
- (d) The City of Maribyrnong has an EGM density of 6.0 EGMs per 1000 adults, which is 10.5% more than the metropolitan average (5.4) and 4.5% more than the State average (5.7). This ranks it as the 14th highest of 31 metropolitan municipalities in terms of EGM density per 1000 adults. If the Application is approved, this would rise by 6.2% to 6.3 EGMs per 1000 adults.
- (e) The City of Maribyrnong has an average gaming expenditure of \$786 per adult, which is 36.5% higher than the metropolitan average (\$556) and 42.1% higher than the State average (\$553). Applying the estimate of increased gaming expenditure as received from the Applicant, approval of this Application would result in an increase in average gaming expenditure per adult of 0.16%. Overall gaming expenditure within The City of Maribyrnong has decreased by 22.85% in real terms over the past five years, whilst the metropolitan average has experienced a decrease by 21.51% in real terms over the past five years.
- (f) In relation to the area immediately surrounding the Premises (i.e. within 2.5km), 12.5% of SA1s¹⁴ within 2.5km of the Premises are in the most disadvantaged quintile of the SEIFA¹⁵ index of relative socio-economic disadvantage scores, 24.0% are in the second most disadvantaged quintile and 63.5% are in the third to fifth quintiles.
- (g) The unemployment rate in the City of Maribyrnong is 7.37%, which is above the

¹³ Pursuant to section 3.4A.5(3A)(b) of the Act, the Victorian Commission for Gambling and Liquor Regulation 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 which gaming may be conducted in each region.

¹⁴ Statistical Area Level 1 (SLA1) has been designed by the Australian Bureau of Statistics (ABS) as the smallest unit for the release of Census data.

¹⁵ 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. A higher SEIFA score indicates a lower level of disadvantage.



metropolitan unemployment rate of 6.57%. Unemployment in the City of Maribyrnong has increased from 6.6% to 7.4% over the past 12 months.

26. This Application is for the granting of a licence amendment to operate 25 additional EGMs at the Premises. The Commission is satisfied that these 25 EGMs will be made up of a transfer of 10 existing EGM entitlements from the Yarraville Club Cricket Club which is also located in the City of Maribyrnong along with 15 new EGMs. There are two additional unrelated approvals for EGM licences in the City of Maribyrnong. The Edgewater development has council approval for 70 EGM licences and the Braybrook Hotel has been approved for a further 14 EGM licences.
27. The Commission is satisfied that in accordance with s.3.4.20(1)(b), approval of this Application would increase the number of licensed EGMs within the City of Maribyrnong to 511 and, as a result, the regional limit would not be exceeded.

APPLICANT WITNESSES AND SUBMISSIONS

Mr Nicholas Barry Anderson

28. Mr Anderson is the Managing Director of NBA, which is a planning and development consultancy. He is a qualified town planner and urban development professional. The Commission accepts that Mr Anderson has the experience to undertake and provide expert opinion on the assessment of socio-economic impact that he has done for this Application.
29. Mr Anderson prepared the Social and Economic Impact Assessment dated June 2015 and the Addendum Report dated 14 September 2015 (**NBA Report**). Mr Anderson adopted the NBA Reports as well as giving oral evidence to the Commission in relation to the Application.
30. Mr Anderson gave evidence that the population of the City of Maribyrnong has been growing steadily and is forecast to continue growing steadily. As a result, community services will need greater investment in coming years to cope with that growth.
31. Mr Anderson told the Commission that Yarraville is becoming, if it is not already, a trendy suburb. Mr Anderson said that Yarraville is changing in its profile and that venues like this Premises need to provide a greater variety of features in order to open up the venue to a much broader market.
32. Mr Anderson stated that the suburb of Yarraville is significantly advantaged compared to the balance of the City of Maribyrnong as evidenced by Yarraville being ranked the second highest out of the City of Maribyrnong's Small Areas on the SEIFA Index of Relative Socio-Economic Disadvantage. He went on to state that the areas to the north of the Premises are more



disadvantaged and currently house the majority of the EGMs in the City of Maribyrnong. Therefore in Mr Anderson's opinion the Premises is in a good location in terms of socio-economic profile to be allocated additional EGMs.

33. Mr Anderson gave evidence that the patron catchment for the Premises is also comparatively advantaged given that significant numbers of patrons come from the areas to the south of the Premises which include the suburbs in the municipality of Hobsons Bay that are also comparatively advantaged.
34. Mr Anderson was of the opinion that the Application is in accordance with the objectives and policies of the City of Maribyrnong Planning Scheme in relation to gambling. In particular Mr Anderson referred to the policy adopted by the City of Maribyrnong Planning Scheme which states "*...it is preferable that additional machines be absorbed within existing venues, outside of the Braybrook or Maidstone area. If new venues are to be permitted it is recommended that they be located in areas with lower levels of disadvantage in the municipality such as Yarraville...*"
35. Mr Anderson gave evidence that gross gaming expenditure at the Premises has decreased over the past five years and the City of Maribyrnong has experienced a similar decrease. He stated that given this trend and the fact that the Premises has previously had more than the proposed 103 EGMs indicates that the Premises is in a very mature gaming environment. The Commission understands this to mean that the Premises is well established and unlikely to attract a significant number of new gamblers. Mr Anderson therefore concluded that an increase in the EGMs at the Premises would not in his opinion raise concern about an increase in problem gambling.
36. Mr Anderson also stated that the Premises is a destination venue. He gave evidence that the Premises is located within a residential area, not in a shopping complex or strip shopping centre, and therefore it is not in a location that would give rise to concerns about convenience gambling or impulse decisions to gamble.
37. Mr Anderson provided evidence that the Applicant has demonstrated a clear and consistent commitment to Responsible Service of Gambling (RSG). The Applicant ensures gaming staff are provided training in relation to problem gambling including recognising signs of problem gambling, approaching persons who need help, services available at Gambler's Help and the best practice for customer service at the Premises. The Applicant has a high level of interaction with their Gambler's Help venue support worker and in Mr Anderson's opinion the management at the Premises have proved they show initiative beyond the mandatory RSG requirements and appear well positioned to address any potential problem gambling issues.



38. Mr Anderson stated that the Applicant is a club as distinct from a hotel and has charitable organisation status which he indicated is significant in terms of the role it has to play within its community. He noted that the Premises has been the home of the Yarraville RSL sub-branch since 1961 and that the Premises is different from a hotel or pub because the revenue that is earned is used for social, welfare and community programs.
39. Mr Anderson gave evidence that the Applicant intends to use the increased revenue generated by the additional EGMs for a proposed redevelopment of the Premises in accordance with the proposed concept plans (**Proposed Redevelopment**). The Proposed Redevelopment is estimated to cost \$1million and is to include a family friendly and modern "al fresco" outdoor area that will contain a dining area, casual seating, a kids play zone and attractive garden and lawn areas. The Proposed Redevelopment will also make improvements to the member's lounge and foyer area to include a new cafe and meeting place for the local community. Mr Anderson advised that he had also prepared the planning application for the Proposed Redevelopment and had the opportunity to meet with councillors who were very supportive of the ongoing development of the Premises.
40. Mr Anderson stated that the additional 25 EGMs would create the requirement for 1 additional full time staff member and that further staff demand would also be created as a result of the Proposed Redevelopment being completed.
41. Mr Anderson stated that the Applicant commits in excess of \$150,000 per annum in cash and in-kind contributions to the local community. Mr Anderson gave evidence that if this Application is successful the Applicant will establish a community chest fund and make additional cash contributions to this from the increased revenue created by the additional EGMs. The proposed additional cash contributions are \$25,000 for each of the first two years post installation of the additional EGMs with that amount to be increased to \$50,000 for each year thereafter through to 2022 when the current licence period expires.
42. Mr Anderson submitted evidence that the Premises was designed, approved and constructed to include a gaming lounge that provides for 105 EGMs and that there has previously been 105 EGMs in the Premises. He therefore noted that the proposed increase to 103 EGMs does not exceed what has previously been approved at the Premises.
43. Mr Anderson gave evidence that the additional 25 EGMs would provide an increased range of choice of EGM for patrons. Further, the Applicant currently carries out machine swaps and game changes to offer this increased choice and that the cost of this would be negated by the additional EGMs.



Mr Anderson's evidence in response to the Council Report

44. In response to the evidence submitted in the Council Report – Mr Anderson disagreed on a number matters. In summary –
- (a) He confirmed that he did not consider that the Application went against the objectives and policies of the City of Maribyrnong Planning Scheme and Council Policies, rather in his opinion the Application is in accordance with Council objectives for the area. He specifically noted that the Application meets the Council objectives that *"additional machines be absorbed within existing venues, outside of the Braybrook or Maidstone area"*;
 - (b) He disagreed with the Council's conclusion that each additional EGM will generate the same amount of expenditure per machine that the existing machines generate and will result in significantly increased expenditure at the Premises. Mr Anderson gave evidence that increased expenditure at the Premises would likely be the result of transferred expenditure from other venues and that the relocation of EGMs is from a more socially and economically disadvantaged area of the City of Maribyrnong;
 - (c) He confirmed his evidence that the Yarraville area is a mature gaming area, and that the Premises is a club and clubs tend to have a higher percentage of elderly clientele which are not recognised as the at-risk groups. Further, the Applicant has operated EGMs for many years and the management has a credible responsible service of gaming record. As such, Mr Anderson refutes the position of the Council Report that the additional machines will lead to increases in problem gambling;
 - (d) He considered that the Council Report is not site specific to these Premises and doesn't distinguish between an existing venue and a proposed new venue, or between a club and a pub. Mr Anderson stated that clubs generally have more surveillance in the gaming room, have a more open floor plan and aim to be family friendly venues and therefore are not the preferred venue for problem gamblers. He rejected the suggestion in the Council Report that the variety of alternative activities provided at the Premises will result in more people being attracted to gambling. In fact, he pointed out that the people who attend the Premises for these activities are least likely to become problem gamblers.
45. Mr Anderson gave evidence that the overall aim for the Applicant is to ensure that the Premises stays modern and continues to meet the needs of the increasing and changing City of Maribyrnong community. The increased revenue the Applicant would receive as a result of this Application would enable the Applicant to enhance the existing facilities and increase its already



significant community contributions.

46. Mr Anderson said that in his opinion the addition of 25 EGMs to the Premises will result in an overall net beneficial socio-economic impact on the City of Maribyrnong. Mr Anderson concluded that the additional community contributions together with an upgrading of the widely used community asset will have a positive impact on the Yarraville community.

Mr Timothy James Stillwell

47. Mr Stillwell is a director and partner of ShineWing Australia. He has 18 years' experience in accountancy across a broad range of industries, including gaming and hospitality, and has developed an intricate knowledge of gaming industry performance and regulatory requirements. The Commission accepts that Mr Stillwell is qualified to give expert opinion on gaming expenditure predictions.
48. Mr Stillwell adopted his written report of 9 June 2015 and the addendum report in response to Council's submission. Mr Stillwell provided the Commission with the background information that currently within the City of Maribyrnong there are 402 EGMs. The municipal cap for the number of EGMs permitted in the City of Maribyrnong is 511. Club Edgewater has been approved for 70 EGMs and the Braybrook Hotel has been approved by VCAT for an additional 14 EGMs. If this Application for 25 EGMs is approved there would be 511 EGMs operating in the City of Maribyrnong effectively using up the available cap within the LGA.
49. Mr Stillwell gave evidence that the Applicant has experienced an average decrease in gross gaming expenditure over the past five years up to June 2014 of 1.46% and that the City of Maribyrnong had experienced a decrease of 2.00%.
50. Mr Stillwell gave evidence in relation to the utilisation of EGMs at the Premises. Two surveys were conducted to determine the percentage of time where peak utilisation (utilisation of above 70% of the EGMs) at the Premises occurred as this is indicative of periods where ostensible demand for the machines exceed supply. The Commission understand this to mean that utilisation of above 70% of the EGMs is indicative of periods where the demand for machines has the potential to exceed supply. The results of the two surveys showed that peak utilisation occurred in only 0.49% and 2.25% of the hours surveyed. This indicates that the Premises has sufficient EGMs to meet customer needs.
51. Mr Stillwell went on to explain that if a venue already has a sufficient level of EGMs within the venue, merely adding more machines will not necessarily result in an increase in gaming expenditure at the venue.



52. Mr Stillwell stated that the Applicant has a net machine revenue (NMR) that is lower than the average club NMR across the City of Maribyrnong. This indicates that although the Premises is located within the City of Maribyrnong, it is in a local area which derives significantly lower NMR and gaming revenue than other areas of the City of Maribyrnong.
53. Mr Stillwell gave evidence of the likely effect that a further 25 EGMs would have on the Applicant's gross gaming expenditure. He explained that based on utilisation statistics and analysis of historical trends and recent trends in gaming expenditure, a reasonable conclusion would be that the additional 25 EGMs at the Premises would generate additional gaming expenditure in the region of \$42,597 to \$85,194 per annum for the first 12 months post installation.
54. Mr Stillwell gave further evidence that, of this additional expenditure, it is likely that 40% would be from transferred expenditure and the remaining would be from new expenditure. Mr Stillwell explained that the transferred expenditure would be made up of a combination of transferred expenditure from existing venues within the City of Maribyrnong and the transfer of gaming activity to the City by patrons who currently attend venues outside the City of Maribyrnong. To support his estimates Mr Stillwell gave the example of the closure of a nearby competing venue Victoria on Hyde two years ago and the impact that had on the Premises.

Mr Stillwell's evidence in response to the Council Report

55. In response to the Council Report, Mr Stillwell gave evidence that the majority of the increase in gaming expenditure at the Premises in the 2015 financial year as compared to the 2014 financial year was as a result of the cessation of gaming operations at the nearby Victoria on Hyde Hotel. He went on to say that the closure of a nearby hotel is not a recurrent event and he does not believe there is any evidence of organic growth in gaming expenditure at the Premises.
56. Mr Stillwell also gave evidence that the sample group of venues that the Council selected for comparison in relation to redevelopment expenditure was not relevant to this Application. Mr Stillwell asserted that this is because none of the Council sample venues were clubs, rather they were 3 hotels and 1 golf club with strong financial backing and each with higher gaming revenue than that of the Applicant.
57. Mr Stillwell concluded that an increase of 25 EGMs at the Premises may not necessarily increase gross gaming expenditure from the current level. Mr Stillwell asserted that this is due to the sustained periods of under-utilisation of EGMs, the anecdotal evidence of gaming expenditure during previous changes to numbers of EGMs at the Premises and the



comparatively low NMR for the Premises.

Mr Leigh James Barrett

58. Mr Barrett is the Director and Principal Consultant of Leigh Barrett and Associates Pty Ltd who specialise in the provision of a range of regulatory compliance services and staff training for gaming venues in Victoria. He adopted his witness statement dated 19 May 2015 with one small amendment to paragraph 33 regarding trading times of the Premises on Friday and Saturday nights which he stated was 3am. However he gave evidence that actual closing time was generally 2am.
59. Mr Barrett was engaged by the Applicant to review its responsible gambling policies and procedures and conduct an audit of the Applicant's compliance with its responsible gambling code and regulatory requirements.
60. Mr Barret gave evidence that the Applicant has adopted the Community Clubs Victoria (CCV) Responsible Gambling Code of Conduct and has developed the Yarraville Club Responsible Gambling Policies and Procedures Manual.
61. Mr Barrett gave evidence that the audit of the Applicant found it to be strongly committed to its responsible gambling obligations and he gave evidence that all staff employed by the Applicant are required to complete an approved RSG course and Responsible Service of Alcohol (RSA) course. He stated that he is confident that the Applicant's staff are appropriately trained and are highly skilled in dealing with issues that might arise with customers to minimise the incidence of problem gambling at the Premises.
62. Mr Barrett stated that during his visits to the Premises he consistently witnessed very high levels of interaction between the patrons and staff and he confirmed his opinion that strong customer interaction is a key to responsible gambling practices.
63. Mr Barret also gave evidence that the Applicant has appropriate procedures in place to ensure compliance with their RSG obligations. These procedures include a requirement that all staff view the contents of the self-exclusion folder during each shift to acquaint themselves with any customers who have recently become self-excluded and a checklist for the supervisor on duty in the gaming room to complete prior to opening each day. He also provided evidence that the Applicant has a strong relationship with the local Gambler's Help Service.
64. Mr Barrett told the Commission that the Premises' layout gives him confidence that the increase in EGMs at this Premises will not increase the potential for problem gambling. He stated that the



gaming room being a significant distance from the front door of the Premises and well away from other recreational opportunities minimises the opportunity for impulse gambling. He also gave evidence that the location of the bar/cashier's station in the gaming room and the CCTV coverage of the gaming room meant that all patrons entering or leaving the gaming room are easily observed by staff.

65. Mr Barrett stated that the broad range of non-gambling, recreational opportunities on offer at the Premises provided a protective factor against the potential for problem gambling to occur. He also gave evidence that the hours of operation at this Premises are significantly less than other venues in the area and confirmed that in his opinion this would make the other venues more attractive for problem gamblers than this Premises.

Mr Christopher James Byrne

66. Mr Byrne is the Venue Operator Nominee, Public Officer and Secretary for the Applicant and has held this position since October 2010. Mr Byrne adopted his witness statement dated 24 June 2015 and gave oral evidence to the Commission.
67. Mr Byrne gave evidence that he has worked in the hospitality industry for almost 29 years and he currently holds the position of President of the Club Managers Association of Australia (Victorian Zone) and he is a member of the Australian Institute of Company Directors and holds a Master's in Business Administration.
68. Mr Byrne stated that his role requires him to oversee the daily operations of all areas of the Applicant's operations including the gaming room. He went on to confirm that he also currently holds an RSG certificate and an RSA certificate and that the Applicant works actively with Gambler's Help.
69. Mr Byrne explained that the Applicant is a not for profit community club, established in 1905, that provides recreational, sporting and leisure facilities and amenities for members, their guests and visitors. These amenities include a world class billiard and snooker room, bars, bistro/restaurant that seats around 170 people, cafe, function rooms that can accommodate in excess of 400 people, car park and gaming room.
70. Mr Byrne gave evidence that the Applicant provides a large level of community support to the local area. For the financial year end 30 June 2013 the Applicant provided financial support of \$177,923 and "in-kind" support valued at \$97,250. For the financial year end 30 June 2014 the Applicant provided financial support of \$132,353 and in-kind support valued at \$116,650. The "in-kind" support includes providing free room hire to local groups, including sporting clubs,



health and education services, the RSL, seniors groups and City of Maribyrnong Liquor Accord.

71. Mr Byrne gave evidence that if the Applicant is successful with this Application the Applicant proposes to increase its level of community support as outlined in the NBA Reports and will carry out renovations of the Premises to construct an outdoor alfresco family area, create a new food/cafe option and renovate the main foyer.
72. Mr Byrne stated that the renovation of the Premises is very important as Yarraville is a changing suburb and the Premises needs to provide updated and varied offerings to ensure that it remains relevant to the community as it changes. Mr Byrne stated that once completed, these new areas within the Premises will provide a minimum of three full time equivalent employment opportunities and the additional EGMs will create additional employment of about 38-45 hours per week. He further noted that the Applicant has a policy of employing local people where possible.
73. Mr Byrne gave evidence that the Applicant is motivated to increase its number of EGMs in order to generate funds to improve the amenities for its members, improve its competitiveness as a gaming and community club destination and improve the financial position of the Applicant. Mr Byrne indicated to the Commission that an increased number of EGMs does not necessarily generate extra revenue. He asserted that there is a tax advantage to the Applicant if the average revenue per EGM decreases to a certain extent and that this tax advantage will enable the Applicant to generate the additional funds they require. In addition, when the renovations are completed it is anticipated that additional revenue will result from an increase in such services as food and beverage and will make the Applicant less reliant on gaming revenue.

Ms Kate Elizabeth Barron

74. Ms Barron is the Operations Manager for the Applicant. She holds a current Gaming Industry Employee Licence, a current RSA Certificate and RSG Certificate. Ms Barron adopted her witness statement dated 7 June 2015 and gave oral evidence to the Commission with one amendment to paragraph 13. The Applicant is no longer with the AHA Self-exclusion Program but has changed to the CCV Self-exclusion Program.
75. Ms Barron gave evidence that she takes a hands on approach to her role at the Premises to ensure the day to day running of the gaming floor is up to the high standards set by the Applicant. The Applicant uses the Community Clubs Victoria Responsible Gambling Code of Conduct and Ms Barron ensures that all staff hold current RSG certificates and are familiar with the regulatory requirements.



76. Ms Barron went on to assert that staff are very aware and vigilant when it comes to RSG and RSA and that shift managers use an operational checklist to conduct a gaming room check every morning before opening and every half hour throughout the day.
77. Ms Barron gave evidence that the Applicant has adopted the CCV Self-exclusion Program and that all staff are directed to familiarise themselves with all self-excluded customers. Ms Barron gave evidence that the Applicant has implemented a "high-risk" section to the self-exclusion program to assist staff in preventing any breaches of the program.
78. Ms Barron gave evidence that the Applicant is associated with the local Gamblers Help Service and told the Commission that she meets with their Gamblers Help Venue Support Worker roughly once every three months and is in frequent email contact with them. Staff at the Premises undertook extra training with Gamblers Help last year. Ms Barron gave evidence that it is intended that further training with Gamblers Help will also be undertaken this year.
79. Ms Barron gave evidence that the Applicant ensures that their staff engage in frequent interaction with customers and that this is a vital element of RSG.

THE COUNCIL'S SUBMISSION

80. The Maribyrnong City Council filed the Council Report in response to the Application. The Council did not attend the hearing.
81. The Council Report referred to the "Council Gambling Policy" and the "Maribyrnong Planning Scheme" as setting out the key areas of the Council's policy position in relation to EGM gambling.
82. The Council Report summarised the EGM expenditure in the City of Maribyrnong and provided general information in relation to problem gambling.
83. The Council Report concluded that the additional 25 EGMs will significantly increase the level of expenditure at the Premises. The Council Report also suggested that the diversity of entertainment and recreation choices on offer at the Premises makes it attractive to local residents. The Council Report asserted that patrons entering the Premises for one form of recreation activity may find themselves engaging in EGM gambling on a regular basis thereby increasing the potential risk of problem gambling.
84. The Council Report also provided details of other redevelopment proposals linked to the increase of EGMs at 3 hotels and 1 golf club across Melbourne. The Council Report concluded



that the \$1million Proposed Redevelopment at this Premises is significantly smaller by comparison.

85. To the extent that the factual matters put forward by the Council are consistent with the NBA Reports and the Commission Reports, they are accepted. However, as the Council did not attend the hearing, its submissions derived from those facts were not able to be tested and must, therefore, be given less weight than might otherwise have been the case. The Commission accepted the evidence of the Applicant expert witnesses Mr Anderson and Mr Stillwell when they disagreed with the conclusions in the Council Report.

'NO NET DETRIMENT' TEST

86. Turning to the Commission's consideration of the 'no net detriment' test, 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

87. The Commission finds that the approval of 25 additional EGMs will create an improved financial position for the Applicant. The Commission found Mr Byrne to be a credible witness. The Commission accepts Mr Byrne's evidence that the Applicant intends to proceed with the Proposed Redevelopment if the additional EGMs are installed at the Premises.
88. Mr Anderson gave evidence that if the Proposed Redevelopment occurs, it will enable the introduction of facilities to the Premises that are appropriate to the changing demographics of the area. This would enable greater use of the Premises' facilities by a wider variety of patrons. The Commission considers that the extent to which the Proposed Redevelopment would attract new patrons is uncertain and therefore is not able to give significant weight to Mr Anderson's assertion.
89. The Commission accepts that approval of this Application is likely to result in an increase in gaming expenditure at the Premises in the region of \$42,597 to \$85,194 per annum for the first 12 months post installation. The Commission also accepts that approximately 40% of this increase in gaming expenditure consists of transferred expenditure from other gaming venues in the City of Maribyrnong.
90. To the extent that this increased gaming expenditure is not related to problem gambling, which the Commission considers is of minimal risk, this is viewed as an economic benefit. The



Commission also notes that some of the economic benefit is likely to be derived from patrons who live outside the City of Maribyrnong in areas with a higher SEIFA ranking. However, the Commission considers that the increased gaming expenditure at the Premises is not likely to be significant and, as such, the Commission attributes low weight to this benefit.

91. To the extent that a portion of new expenditure may be attributable to problem gambling, this represents an economic disbenefit.¹⁶ In assessing the extent of this disbenefit, the Commission recognises that it does not include transferred expenditure because such expenditure cannot be said to exacerbate problem gambling.¹⁷ The Commission also recognises that as the increased gambling expenditure at the Premises is not likely to be significant, any amount attributable to problem gambling is likely to be low. In any event, the Commission considers that any increase in problem gambling as a result of the Application is likely to be minor for the following reasons:

- (a) the low level of anticipated additional expenditure in the City of Maribyrnong;
- (b) the movement of 10 EGMs from an area of greater disadvantage to the Premises which is in an area of lesser disadvantage;
- (c) the profile of patrons of the Premises; and
- (d) the active mitigation approach taken to problem gambling by the Applicant.

Accordingly, the Commission attributes neutral to low weight to this impact.

92. The Commission considers that the community contributions of \$25,000 per annum for 2 years and then \$50,000 for the remaining years up until 2022 which the Applicant has volunteered to make if the Application is approved is an economic benefit to the community. This is not a large amount on its own but when considered in the context of the low amount of likely further gaming expenditure and the contributions already made by the Applicant, the entirety of the economic benefit to the community is more considerable. This benefit is accordingly ascribed a moderate weight by the Commission.

¹⁶ 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.

¹⁷ 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.



93. The Commission also considers that there are other economic benefits associated with the Application for which a low weight is given. These include:
- (a) The employment of 3 full time equivalent employment opportunities as a result of the Proposed Development and between 38-45 hours additional employment as a result of the additional EGMs coupled with the Applicant's policy to employ local residents where possible. On the basis that the number of new jobs is relatively low and there is no guarantee that local residents will be employed, the Commission ascribes a low weighting to this benefit.
 - (b) Increase in competition in gaming in the City of Maribyrnong – while this is an important factor in light of the statutory purposes of the Act and the consumer benefits that derive from competition, it is an economic benefit which is given marginal to low weight in the current Application given the number of the EGMs operating in the City of Maribyrnong, the number of additional machines proposed for the Premises and the existing EGM utilisation rates.
94. Overall, the Commission considers that there will be marginal, but positive, economic impact on the City of Maribyrnong community by approval of the Application.

SOCIAL IMPACTS

95. Wherever accessibility to EGMs is increased there is always a risk of an increase in problem gambling, which leads to other costs such as lost productivity, increased health and social service requirements and other social costs. Accordingly, the Commission accepts there is the potential for negative social impacts through possible increased problem gambling expenditure.
96. The Commission accepts the evidence of Mr Barrett that the Premises exhibits a number of factors that may decrease the risk of problem gambling as follows:
- (a) the 'open' layout of the gaming room and CCTV in the gaming room;
 - (b) the location of the gaming room within the Premises;
 - (c) the broad range of non-gambling recreational opportunities and substantial facilities on offer at the Premises;

The Commission finds that the Application will not negatively impact these protective factors through the introduction of 25 additional EGMs. Further, if the Proposed Redevelopment proceeds then the protective factor in paragraph (c) above is likely to be enhanced. The



Commission therefore considers it likely that these protective factors have some impact on the risk of problem gambling at the Premises.

97. The Commission accepts that the Applicant has suitable compliance procedures in place and a strong commitment to RSG practices and therefore this is likely to mitigate any risk from increased problem gambling as a consequence of the additional EGMs.
98. The Commission accepts that the Application will result in a small increase in EGM density per adult in the City of Maribyrnong. The Commission also accepts that may be a marginal increase to EGM expenditure per adult as a result of this Application. However given the already high number of EGMs within the City of Maribyrnong the Commission finds that the impact of the Application on the risk of problem gambling in the City of Maribyrnong will not be significant.
99. The Commission finds the relocation of 10 EGMs from an area within the LGA with a relatively low socio-economic profile to the Premises which is in an area with a relatively high socio-economic profile to be a factor that is likely to have some positive impact on the risk of problem gambling within the LGA.
100. The Commission accepts that the Premises is located in a higher socio-economic area of the LGA and has a patron catchment area that includes areas that are relatively advantaged and is therefore satisfied that the risk for an increase in problem gambling at the Premises is low.
101. The Commission finds that the increased number of EGMs at the Premises will better serve the needs of recreational gaming patrons through providing a wider variety of EGMs from which to choose. However, given the context of the already high total number of EGMs in the LGA and the low level of peak utilisation of EGMs currently experienced at the Premises this benefit for recreational gamblers is marginal.
102. The Commission also finds that the financial benefit derived from the increased number of EGMs will likely enable the Applicant to carry out some redevelopment of the Premises. This will allow the Premises to appeal to a broader market and adapt to the changing demographic of the area. However, taking into account that the timing of and final content of the redevelopment plans cannot be certain, the Commission considers this to be a low social benefit.
103. The Commission considers the additional community contributions of \$25,000 per annum for 2 years and then \$50,000 for the remaining years up until 2022 and the impact they will have on local community organisation to be a social benefit to which the Commission attributes moderate weight.



104. After considering the social benefits of the proposal balanced against the detriments, the Commission considers that, on balance, there is likely to be a low level, but positive, social impact by granting the Application.

NET ECONOMIC AND SOCIAL IMPACT

105. The '*no net detriment test*' in section 3.4.20(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.¹⁸

106. After consideration of the material put forward by the Applicant and the Council, and after attributing weight to the relevant factors 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 minor net positive social and economic impact to the well-being of the community in the municipal district in which the Premises is located if the Application is approved.

OTHER RELEVANT CONSIDERATIONS

107. Having determined that the '*no net detriment*' test has been satisfied, there remains a discretion in the Commission to determine whether or not to approve the Application. In determining whether or not to grant the application, the Commission may take into account other relevant matters, including broader policy considerations drawn from the Acts as a whole.¹⁹

108. On the material that has been put before it, the Commission is satisfied of the other matters in section 3.4.20(1). The Commission is also 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. Accordingly, the Commission is satisfied that it should exercise its discretion to approve the Application.

109. The Commission has taken into account the Applicant's undertaking to make additional community contributions if the Application is granted and believes it is appropriate to make this approval subject to the following condition:

1. Community Contributions

¹⁸ *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [52] per Dwyer DP.

¹⁹ *Bakers Arms Hotel Pty Ltd v Victorian Commission for Gambling and Liquor Regulation* [2014] VCAT 1192, [126] per Code PM and Nelthorpe M.



- (a) *The Applicant undertakes to do the following:*
- (i) *Establish the Community Chest Fund (**the Fund**);*
 - (ii) *Make cash contributions of \$25,000 per annum to the Fund for the first two years after installation of the additional EGMs*
 - (iii) *Make cash contributions of \$50,000 per annum to the Fund from year 3 after the installation of the additional EGMs through to the expiration of the current gaming licence in 2022.*
 - (iv) *All cash contributions in conditions 1(a)(i) and 1(a)(ii) will be in addition to the current community contributions made by the Applicant and will be allocated each year to not-for-profit community groups and sporting organisations providing services and facilities to residents in the City of Maribyrnong.*

The preceding paragraphs are a true copy of the Reasons for Decision of Mr Ross Kennedy, Deputy Chair, and Ms Helen Versey, Deputy Chair

Appendix One

The following table is a summation of the economic and social benefits and disbenefits considered by the Commission in reaching its decision. It 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 as detailed.

Summary of social and economic impacts

Economic impacts

Benefit	Impact	Paragraph	Comment relevant to weight
	Capital Improvements to the Premises	88	Improvements to premises likely to encourage greater use of the Premises by a wider variety of local patrons. Low weight.
	Increase gaming expenditure not associated with problem gambling	89 and 90	Direct and measureable benefit to the community; Extent of additional expenditure not significant; Low weight.
	Additional Community contributions	92	Increase in cash contributions made by the Applicant to the community with additional \$25,000 per annum for 2 years and then \$50,000 for each remaining years up until 2022. In the context of the application this is not large however when viewed in the context of the likely further gaming expenditure and the existing contributions made by the Applicant it is slightly more considerable. Moderate weight.
	Additional employment	93(a)	Creation of at 3 full time equivalent positions and additional employment of between 38-45 hours in the gaming room These positions are intended to employ persons from the local area if possible but this cannot be guaranteed; Low weight.



	Increase in gaming competition in the community	93(b)	Important factor in light of purposes of the Act and consumer benefits; Balanced against the number of EGMs operating in the City of Maribyrnong, the number of additional EGMs proposed and existing utilisation rates; Marginal to Low weight.
	Impact	Paragraph	Comment relevant to weight
Disbenefit	Possibility of increased incidence and impact of problem gambling.	91	Low level of anticipated additional expenditure; Demographic profile of Yarraville is advantaged compared to the balance of the City of Maribyrnong. Movement of EGMs from an area of greater disadvantage to an area of lesser disadvantage. Thorough approach taken to problem gambling demonstrated by the Applicant; Neutral to low weight.



Social impacts

	Impact	Par.	Comment relevant to weight
Benefit	Wider variety of choice of EGMs for recreational gamblers	101	The increased number of EGMs at the premises will better serve the needs of recreational gaming patrons; Balanced against increase in EGM numbers and utilisation rates at the Premises; Low weight.
	Enhancement of facilities at premise for local patrons	102	The increased number of EGMs will likely enable the applicant to redevelop some facilities on the premises to include a soft lounge/bar area, alfresco area and outdoor children's recreation and play facility; Balanced against the uncertainty of redevelopment plans; Low weight.
	Additional funds towards the community	103	Social benefit in supporting local non-for profit community groups; Balanced against size of contribution; Moderate weight.
	Impact	Par.	Comment relevant to weight
Disbenefit	Possible increase in risk of problem gambling, increased health and social service requirements and costs.	96	The Commission accepts there is potential for negative social costs through possible increased problem gambling expenditure; Balanced against the layout of the Premises, the RSG practices at the Premises, current access to EGMs, movement of EGMs within the LGA, the socio-economic profile of the catchment area. Low weight.