

## MOTION OF WHICH NOTICE HAS BEEN GIVEN

Pursuant to Division 2 Regulation 16(5) of the Local Government (Meeting Procedures) Regulations 2015, please arrange for the following motion to be included on the next Council agenda.

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## RECOMMENDED MOTION

*That Council has acknowledged the harm caused by poker machines through its membership of the Community Voice on Pokies Reform.*

*Recognising that the licensing model for poker machines in Tasmania is likely to change after 2023, the Council declares that the maximum number of poker machines in Kingborough be limited to those already in place and only at the existing poker machine venues.*

## Strategic Plan Reference

Key Priority Area	1	Encourage and support a safe, healthy and connected community
Strategic Outcome	1.1, 1.3 and 1.5	1.1 An inclusive community that has a strong sense of pride and local identity 1.3 A resilient community with the capacity to flourish 1.5 An active and healthy community, with vibrant, clean local areas that provide social, recreational and economic opportunities.

### 1. PURPOSE

- 1.1. The purpose of this motion is to limit the social and economic harm caused by poker machines in the Kingborough municipality.
- 1.2. To ensure that social well-being and future economic growth in Kingborough is not negatively impacted by additional addictive poker machines (also known as Electronic Gaming Machines or EGMs) being placed in hotels and clubs in the community.

## 2. BACKGROUND

- 2.1. In April 2016, Kingborough Council became a member of Community Voice on Pokies Reform.
- 2.2. The Tasmanian Government's *The Future of Gaming in Tasmania* (Future Gaming Market) policy, proposes that the exclusivity arrangements under the Deed with the Federal Group to conduct casino operations and operate electronic gaming machines in Tasmania will end in 2023.
- 2.3. There are a number of proposed reforms under the future gaming market model, including:
  - a decrease in the State-wide cap for EGMs of 150; (the proposal is to reduce the current cap number of 2500 to 2350 EGMs in pubs and clubs. The state currently has **2300** in pubs and clubs in the state, *which is 50 less than the proposed cap*.)
  - the creation of individual venue licences to operate EGMs in hotels and clubs<sup>1</sup>; and
  - an increase in the Community Support Levy collected
- 2.4. There are two venues in Kingborough that currently have poker machines:
  - Snug Tavern: 20 machines
  - Kingston Hotel: 30 machines
- 2.5. The implementation of the Future Gaming Market policy may result in additional venues in Kingborough seeking to attain a licence to operate poker machines in hotels and clubs.
- 2.6. A Community Interest Test was introduced in 2016 to be applied to all new applications to operate poker machines in Tasmania<sup>2</sup>. Local Councils will be an important participant in any application of the Community Interest Test<sup>3</sup>.

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<sup>1</sup>Department of Treasury and Finance, Tasmanian Government, 2020, Future of Gaming in Tasmania Public Consultation Paper February 2020, [https://www.treasury.tas.gov.au/Documents/Future\\_of\\_Gaming\\_in\\_Tasmania\\_Public\\_Consultation\\_Paper\\_February\\_2020.pdf](https://www.treasury.tas.gov.au/Documents/Future_of_Gaming_in_Tasmania_Public_Consultation_Paper_February_2020.pdf), accessed 27/02/20

<sup>2</sup>Parliament of Tasmania, 2017, Joint Select Committee on Future Gaming Markets, page 109 <http://www.parliament.tas.gov.au/ctee/Joint/Reports/FGM/fgm.rep.170927.reportfinalforprinting.sw.pdf> accessed 11/03/2020

<sup>3</sup>“The location of EGMs will be subject to a new public interest test to be applied by the Tasmanian Liquor and Gaming Commission. This will give local communities more of a voice in determining the future location of EGMs in their community.” Hon Peter Gutwein MP, 2016, <https://www.petergutwein.com/news/government-outlines-new-gaming-paradigm-tasmania/>, accessed 11/03/20

### 3. DISCUSSION

- 3.1. Poker machines are specifically designed to trigger addiction. Poker machines are mathematically programmed to return around 90% of the money put in. This means, the more a person plays, the more they lose.
- 3.2. In Kingborough, the financial losses to poker machines are not made public but Anglicare Tasmania's Social Action Research Centre Policy Analyst has estimated the losses in Kingborough to be approximately \$2,349,000 in 2018-19.<sup>4</sup>
- 3.3. Harm caused by poker machines affects tens of thousands of Tasmanians:
  - At least one in 6 people who regularly use a poker machine are likely to develop a problem with gambling (Productivity Commission 2010, p. 5.25)<sup>5</sup>.
  - According to the Tasmanian Liquor and Gaming Commission, approximately 6,000 to 10,000 Tasmanians are harmed by their gambling, the vast majority of them being harmed by poker machines<sup>6</sup>.
  - For every person who is harmed by their own gambling, on average seven other people around them are also negatively affected (Productivity Commission 1999, p. 7.1)<sup>7</sup>.
  - Polling indicates 1 in 3 Tasmanians personally know someone who has a serious problem with gambling and poker machines<sup>8</sup>.
- 3.4. Unlike most other elements of consumer spending, poker machine use has acknowledged and measurable social costs. Poker machine addiction negatively impacts the health, mental health, homelessness, criminal justice, family support

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<sup>4</sup> Margie Law, personal communication, 06/03/20

<sup>5</sup> Productivity Commission, 2010, Gambling Inquiry Report, <https://www.pc.gov.au/inquiries/completed/gambling-2010/report/gambling-report-volume1.pdf>, accessed 11/03/20

<sup>6</sup> Tasmanian Liquor and Gaming Commission, 2016, Submission to the Joint Select Committee on Future Gaming Markets, <http://www.parliament.tas.gov.au/ctee/Joint/Submissions/JSC%20FGM/JSC%20FGM%20144%20Tasmanian%20Liquor%20and%20Gaming%20Commission.pdf>, accessed 27/02/20

<sup>7</sup> Productivity Commission, 1999, Australia's Gambling Industries, <https://www.pc.gov.au/inquiries/completed/gambling>, as quoted in Anglicare Tasmania's Policy Position for the 2018 Tasmanian State Election – Removing poker machines from our communities, <https://www.anglicare-tas.org.au/research/election-position-paper-removing-poker-machines-from-our-communities/>

<sup>8</sup> Anglicare Tasmania Social Action Research Centre, 2016, Pokies Cause Harm: Key Facts, page 3, <https://www.anglicare-tas.org.au/pokies-cause-harm-key-facts/>, accessed 11/03/2020

and social services sectors. Poker machine addiction is associated with higher levels of poverty, family violence, child neglect, mental ill health and suicide.

- 3.5. For every additional \$100 of poker machine spending per capita in community venues, volunteering rates were 0.9 percentage points lower (Productivity Commission 2010, p. 6.15)
- 3.6. The July 2017 report, *Removing poker machines from hotels and clubs in Tasmania: Economic considerations*<sup>9</sup>, by University of Queensland Professor John Mangan found:
  - The costs of social harm generated by poker machines outweighs the economic benefit they provide.
  - Expenditure on poker machines does not bring new economic activity to Tasmania, it simply replaces existing activity.
  - As final demand expenditure, gambling expenditure does little to stimulate intermediate production in other areas of the Tasmanian economy.
  - Removing poker machines from Tasmanian pubs and clubs would provide a positive benefit to the Tasmanian Economy and create up to 670 new jobs.
- 3.7. The Tasmanian community are concerned by the impact of poker machines:
  - Regular polling over 25 years has shown four in five Tasmanians think that poker machines in pubs and clubs have a negative impact on the community.<sup>10</sup>
  - A ReachTEL poll in September 2017 found that 81.5% of Tasmanians in the electorate of Franklin thought the number of poker machines should be decreased or phased out all together.<sup>11</sup>

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<sup>9</sup> Mangan, 2017, *Removing poker machines from hotels and clubs in Tasmania: Economic considerations* <https://www.anglicare-tas.org.au/research/removing-poker-machines-from-hotels-and-clubs-in-tasmania-economic-considerations/>, accessed 27/02/20

<sup>10</sup> ReachTEL poll, 15 February 2018 [https://www.tai.org.au/sites/default/files/Tasmania%20Polling%20-%20Poker%20Machines%2C%20Donations\\_0.pdf](https://www.tai.org.au/sites/default/files/Tasmania%20Polling%20-%20Poker%20Machines%2C%20Donations_0.pdf), accessed 27/02/20

<sup>11</sup> ReachTEL, 6 September 2017, <https://www.tai.org.au/sites/default/files/TAI%20-%204%20September%202017%20-%20Franklin%20-%20poker%20machines.pdf>, accessed 27/02/20

#### 4. COMMUNICATION AND CONSULTATION

In addition to communications with individuals, the following community organisations have been contacted explicitly seeking their input into this motion:

Bonnet Hills Community Association	Bruny Island Community Association
Blackmans Bay Progress Association	Conningham and Lower Snug Community Association
Howden Progress Association	Kingborough Rate Payers Association
West Winds Community Centre	Woodbridge Community Association
Taroona Community Association	Sustainable Living in Kingborough

#### 5. CONCLUSION

- 5.1. Poker machines cause social and economic harm.
- 5.2. Previous polling and research indicates that the majority of the people in the Kingborough community do not want more poker machines in hotels or clubs.
- 5.3. Kingborough Council has already indicated to the community a commitment to reduce the social and economic harm caused by poker machines by joining the Community Voice on Pokies Reform coalition in 2016.
- 5.4. Legislative changes to the *Gaming Control Act 1993* that result from the Future Gaming Market Policy may result in more venues seeking to attain poker machines in Kingborough.
- 5.5. As the recent debate in the community and the media intensifies around poker machines, the Kingborough Council has an opportunity to send a clear signal that additional poker machines are not welcome in the Kingborough community.