

## **Alderman Burnet - Submission to the Joint Select Committee**

*The Hobart City Council makes the following submission to the Joint Select Committee on Future Gaming Markets.*

- The City of Hobart Council resolved to become a member of the Community Voice on Pokies Reform (CVPR).
- This decision reflects the Council's deep concern about social and community harm from gambling, despite a minority of Aldermen being in support of current regulations around Electronic Gaming Machines in our municipality.
- The Council also have a Leadership role as a key driver in addressing social issues; and to advocate for outcomes that will benefit the broader Tasmanian community
  
- The Council made the resolution to join the Community Voice on Pokies Reform in line with both our Strategic Plan and our Social Inclusion Strategy. The City of Hobart's Community Sector Reference Group (CSRG) also helps monitor and provide feedback to the City of Hobart on the implementation of its Social Inclusion Strategy ensuring that the needs of disadvantaged people are addressed; to identify new and emerging social inclusion issues; and where appropriate to propose strategies to address issues in an effective and collaborative manner.
- It is important to note that problem gambling is an issue being raised by this group since the group was developed in 2010.

- When an individual experiences disadvantages in areas of their life, social exclusion occurs which makes it difficult for them to participate in community life.
- Pokies are one of the most socially isolating – socially excluding – activities, and for those with gambling addiction, can end in further social dislocation, poverty, crime, imprisonment, suicide – We thereby have an obligation to address this

In gambling there are ultimately winners and losers, and in Hobart the balance sheet looks something like this:

#### Winners

- Federal Hotels – a large proportion of gambling revenue - of the total \$310m spent in Tasmania - goes to the monopoly licence holders. It is unknown how much of this is invested back into tourism but the Council acknowledges Federal Hotels as a leading player in tourism in our city.
- The state government, just under 1/3 of \$310m is collected as a regressive tax on gambling.
- 7 pubs in Hobart which are located on the northern suburbs bus route and in the heart of the suburbs of our city. Interestingly none of the other pubs are located in prime waterfront areas where pokies aren't profitable.
- About 3% of Tasmania's workers are employed in the gambling industry.

And on the other side of the balance sheet the losers are:

- The pubs directly competing with the pokies pubs, on what isn't a level playing field
- Local businesses: money spent at the pokies is money not going to other small businesses and the local economy - through money not spent on entertainment, dining, services and in local retail.

- The victims of pokies-related crime – white collar crime such as embezzlement of companies, extortion, and often violent crimes such as robbery for those desperate for money to fuel their addiction
- Those addicted to pokies and family and friends: for every person who develops a problem with poker machines, up to seven other people are also affected – the house may be mortgaged, assets sold to fuel one of the most potent forms of addiction.
- Our community: We are all weaker because of the flow on effects of addiction and social exclusion

Hobart has some great pubs which work hard against the advantage afforded pokies pubs and the casino: Hobart's local performers - the new and established talent. Music venues such as the Brisbane Hotel, the Republic Bar and New Sydney are proudly anti-pokies businesses

The facts:

According to the Social Action and Research Centre SARC data 2014/2015, the Hobart municipal area has 169 poker machines (excluding the 650 Electronic Gaming Machines at Wrest Point Casino). Each poker machine in the Hobart municipal area takes \$35,329 from the local community each year. This is a total annual loss of \$5.97 million or \$114,500 per week from Hobart's pokies pubs. This is a significant loss for any local economy, and does not even include the figures from Wrest Point Casino's 650 machines. It is regressive, particularly when there is significant impacts of social exclusion which goes directly against our strategic plan and social inclusion objectives, because of pokies addiction

The court of public opinion is shifting, and yet the government's proposed policy positions highlighted in the SEIC assume that the community wants an ongoing presence of poker machines in their local areas. This assumption has, however, been shown to be questioned by all community polls on this issue.

The independent polling commissioned by the Social Action and Research Centre (SARC) and conducted by EMRS where it was found that:

- 84% of Tasmanians believe that the community does not benefit from having poker machines in local pubs and clubs.
- Four out of five Tasmanians want poker machines reduced in number or removed entirely from local venues.

As a member of the Coalition, the Hobart Council agreed to support the 5 (following) Public Policy Principles:

- (i) Gambling problems are a public health issue that should be treated in the same way as other public health issues. Prevent harm across the whole population through effective consumer protection measures.
- (ii) Parliament should use the data from Tasmania's three Social and Economic Impact Studies (SEIS) to guide its public policy approach on gambling.
- (iii) Public policy on gambling should recognise that higher gambling frequency is an indicator for developing gambling problems. Address both the risk factors that lead people to gamble more frequently and the gambling features that are attractive to people who subsequently develop a gambling problem.

- (iv) Public policy on poker machines should recognise that 98 percent of the adult population either never touch a poker machine or spend less than 12 hours per year at a machine.
  
- (v) Public policy should therefore focus on the people who face harm because of their intensified daily or weekly visits to the machines.

In Summary:

- The Councils Strategic Plan and Social Isolation Strategy are in line with the Community Voice on Pokies Reform.
- Community attitudes have changed and Council is hearing this from a number of sources including the community, community sector reference group, local research and statistics on financial loss to individuals and the community.
- With this in mind, Council recommends that government respond to the changes in the market, technology and community attitudes and addresses this through the licence agreements for gambling activities.