

# EXECUTIVE SUMMARY OF RESPONSES TO LGA SURVEY ON GAMING (POKER) MACHINES



16 Hutt St Adelaide South Australia 5000  
GPO Box 2693 Adelaide SA 5001  
Ph (08) 8 224 2000 Fax (08) 8 232 6336

Some 58 Councils (over 85%) responded to the survey. Our concise interpretation of the survey responses is below, followed by the full results:

- A significant majority (82%) believe the **impact** of gaming machines on their community has been negative or severely negative (only one Council indicated a positive impact).
- The predominant impact is believed to have fallen on **individuals and families** (82% indicating a perceived impact at medium or higher levels).
- Significant impacts have been observed by Councils on **community/sporting clubs** (unable to compete against clubs with pokies- 68% indicating medium or higher impact), local **businesses** (65% indicating medium or higher impact) and decline in local **sponsorship** (60% indicating medium or higher impact).
- Fewer than a third believe gaming machines have significantly (medium impact or higher) improved **entertainment options** and one quarter believe their introduction has lead to significantly (medium impact or higher) better **community facilities**.
- A significant majority (60%) believe State Government should remain responsible for **addressing the impact** of gaming machines.
- The majority of Councils do not support a return to **prohibition** of gaming machines (69%) and those seeking a ban on new gaming machine licenses fell just short of a majority (48%).
- But most support **greater regulation** (72%), analysis and response (82%), and public disclosure of turnover and payouts for licensed premises (65%).
- A majority want the State to remain responsible for licensing gaming machines (56%) however a significant majority (70%) want to see **Councils gain input** in the licensing process at least or more significant to the input Councils have into liquor licensing.
- There are mixed views about Councils becoming recipients of funding from gaming machine **taxes** (40% yes – 44% no) although a majority would support additional funding to support community and sporting clubs (58%) and exactly half would support added funding for small business/economic development (50%).
- Councils were split (50% yes – 31% no – 19% no response) on a Tea Tree Gully proposal for an **additional levy** of 1.5% on all declared profits relating to income received by the Gaming/Hotel industry, excluding licensed non-profit community/sporting clubs.



# STATISTICAL SUMMARY OF RESPONSES TO THE LGA SURVEY ON GAMING (POKER) MACHINES (CIRCULAR 43.1)

Note, all percentages are calculated as a percentage of the number of Councils Responding overall. A number of Councils, particularly in rural areas, indicated they had little or no experience with gaming machines and hence gave a “no response” to many questions and providing responses only where they believed they knew enough to support one.

## RESPONSES

58 COUNCILS RESPONDED  
i.e. 58/68 = 85% RESPONSE RATE

## STATUS OF RESPONSES

Considered by full Council	16 (28%)	CEO in consultation with Elected Members
20 (34%)	CEO based on Council Policy	15 (26%)
Not clear	7 (12%)	

## 7 GENERAL IMPACT

1.1 What do you consider to be the impact of gaming machines within our community

a. Severe negative impact.	18	(31%)
b. Moderately negative impact.	30	(52%)
c. No impact.	3	( 5%)
d. Moderately positive impact.	0	( 0%)
e. Very positive impact.	1	( 2%)
No response	6	(10%)

7.1 If you answered yes to a or b above, where has the impact occurred?

Option	N/R	1	2	3	4	5
a) Individuals in Financial Hardship	22%	2%	4%	17%	22%	33%
b) Community/sport clubs without gaming machines unable to compete	19%	12%	9%	19%	17%	24%
c) Community/sport clubs not generating predicted incomes or suffering in non-financial terms	32%	24%	6%	17%	14%	7%
d) The commercial/private sector, including small business	20%	10%	3%	17%	35%	14%
e) Volunteer participation in Council or community activities	20%	20%	24%	31%	5%	0%
f) A decline in sponsorship funds within the community	19%	10%	12%	27%	22%	10%
g) Resident complaints about venues (noise, traffic etc) resulting from introduction of gaming machines.	20%	41%	27%	8%	2%	2%
h) Improved entertainment options	22%	27%	19%	19%	11%	2%
i) Better community facilities	22%	35%	15%	19%	9%	0%

1=low impact

3=medium impact

5=high impact

N/R=No Response

Is there evidence within your community of any trauma, individual emotional impact, family disruption/dysfunction and addiction?

Yes	42	72%
No	7	12%
No Response	9	16%

Should the responsibility to address these issues rest with:

a) State Government and its agencies	35	(60%)
b) Local Government	0	( 0%)
c) Some other party.	0	( 0%) *
d) A combination of governments/agencies	14	(23%)
No Response	10	(17%)

\* One Council responded "Venue Operators/Owners"

## **2 COUNCIL IMPACT**

7.1 Has your Council received any reports related to a negative impact of gaming machines in your community? If in writing, please attach such report or a summary.

Yes	12	(20%)
No	39	(67%)
No Response	7	(13%)

7.2 In particular, can your Council quantify the financial impact of gaming machines on Council (e.g. default of loans and/or rent to sporting clubs), or generally in the community?

Yes	7	(13%)
No	42	(72%)
No Response	8	(15%)

Several comments indicated considerable community comment but insufficient reliable data

## **3 POLICY APPROACH**

8 Does your Council believe:

Option	N/R	Yes	No
a) Gaming Machines should be prohibited?	20%	11%	69%
b) Gaming Machines require greater regulation?	22%	73%	5%
c) Gaming Machines and their impact require much greater analysis and response?	13%	83%	4%
d) That there should be greater public disclosure of turnover and payouts for each licensed premise?	17%	65%	18%
e) Gaming should be a change of land use and subject to Development Control?	26%	46%	28%
f) Gaming machines and their impact are acceptable and should be tolerated?	33%	12%	55%

g) That there are other issues/options?	69%	16%	15%
---	-----	-----	-----

Comments: 2 Councils acknowledged that the addition of gaming machines had created employment & One strongly advocated intensive community education regarding gambling.

## **7 REGULATION/LICENSING**

Does your Council believe:

- a) No further gaming machine licenses should be issued? 48%
- b) Further gaming machines should be subject to more stringent regulation? 50%
- c) Existing gaming machines should be subject to more stringent regulation/review? 57%
- d) The impact of gaming machines needs greater analysis and government response? 69%
- No Response: 14%

## **5 COUNCIL'S ROLE**

8 What role do you believe Councils should play in relation to gaming machines? Should:

<b>Option</b>	<b>N/R</b>	<b>Yes</b>	<b>No</b>
a) Councils be responsible for issuing new gaming machine licences?	28%	12%	60%
a) This control include discretion to refuse?	57%	19%	24%
b) This control include discretion to refuse in certain prescribed circumstances?	64%	15%	21%
d) The licensing process to continue to occur at State level with Councils having more significant input, including being given due consideration int the assessment process?	33%	57%	10%
e) Councils input into the licensing process should be E1) <u>Not less than</u> the process which occurs in relation to licensed premises in relation to the Liquor Licensing Act?	32%	30%	
e) E2) <u>Greater than</u> the process which occurs in relation to licensed premises in relation to the Liquor Licensing Act?		38%	

## **6 REVENUE/PROGRAMS**

7.1 Should Local Government play a structured role in managing public expenditure to alleviate problems arising from gaming machines, rather than having to make submissions to a State level program?

- Yes 23 (40%)
- Maybe 1 ( 2%)
- No 26 (44%)
- No Response 8 (14%)

6.2 Generally, should:

Option	Yes
a) Councils have access to an equitable share of funds derived from gaming machines which are untied?	43%
b) Councils have access to an equitable share of funds derived from gaming machines <u>to apply to support community/sporting clubs?</u>	58%
c) Councils have access to an equitable share of funds derived from gaming machines <u>to apply generally to economic development/small business support programs?</u>	50%
d) Councils have access to an equitable share of funds derived from gaming machines <u>to apply to alleviating or preventing financial hardship and other impacts on individuals as a result of gaming machines/gambling?</u>	25%

7.1 If you answered yes to any of these questions, should some funding be allocated to a central unit to co-ordinate and provide best practice advice on meeting the challenges created by gaming machines/gambling?

Yes	33	(57%)
No	9	(15%)
No Response	16	(28%)

7.1 Proposal by the City of Tea Tree Gully – sent by TTG Council to the LGA and all member Councils. (Refer Attachment B of Circular 43.1).

Should:

Option	N/R	Yes	No
a) The State be requested to place a levy of 1.5% on all declared profits related to income received by the Gaming/Hotel industry, excluding licensed non-profit community/sporting clubs, from the operation of gaming machines?	20%	50%	30%
b) The levy raised then be distributed to each Council in the same proportion as the levy raised within the boundary of the Council?	20%	46%	34%

## **7 FUNCTIONAL REFORM**

7.1 When the State and the LGA commence negotiations on functional reform, would your Council favour a greater role for Councils in administration and regulation of gaming machines?

Yes	22	(39%)
No	28	(50%)
No Response	6	(11%)

7.2 Should the entire apparatus of taxation/funding in relation to gaming machines – e.g. administration, licensing, funding – be shifted from State to Local Government?

Yes	3	( 6%)
No	46	(81%)
No Response	7	(13%)

