Subject:

FW: A gambling motion for ALGA and ANZ's role as Australia's largest financier of the gambling industry

From: Stephen Mayne [mailto:stephen@maynereport.com]

Sent: Tuesday, 26 March 2019 1:27 AM

To: Arron Wood; Kevin Louey; Rohan Leppert; Cathy Oke; Philip Liu; Nicholas Reece; Jackie Watts; Nicolas Frances

Gilley; Susan Riley; Sally Capp - Lord Mayor of Melbourne; Beverley Pinder

Cc: Justin Hanney; Keith Williamson; Giulia Baggio

Subject: A gambling motion for ALGA and ANZ's role as Australia's largest financier of the gambling industry

Dear Lord Mayor and councillors,

The Age is today reporting that the Australian Hotels Association made record political donations of almost \$1 million ahead of the November 25 Victorian election, although the precise details will not be disclosed until February 1, 2020.

Following on from record donations in Tasmania and South Australia (see this <u>Alliance press release</u>), it is clear the socially damaging pokies industry is seeking to buy influence over our politics like never before.

In a related development, City of Yarra last week voted for this motion (see p17 of these minutes) to be debated at the upcoming ALGA National General Assembly in Canberra on June 17-19:

That the National General Assembly calls on the Federal Government to:

Establish a Royal Commission into the gambling industry and the \$24 billion in annual gambling losses nationally, the highest in the world in per capita terms.

2. Embrace national harm minimisation policies to reduce gambling harm in Australia such as:

following the lead of the UK Labour Party in supporting a ban on credit card usage with Australian licensed online gambling companies;

introducing further restrictions on gambling advertising, emulating the approach taken with the tobacco industry;

establishing a national ombudsman scheme to process consumer complaints and resolve customer disputes with online gambling companies;

introducing a ban on federally registered political parties from owning gambling licences issued by Australian governments, including for the operation of poker machine venues.

I only noticed this evening that City of Melbourne has <u>an item on the agenda</u> tonight approving two important and well-crafted motions for the ALGA NGA related to recycling and cladding.

Therefore, it wouldn't require a big stretch for councillors to add Yarra's motion as a third City of Melbourne ALGA motion, such that it could be proposed by two Victorian councils rather than one, thereby giving it more political credibility and prospects of meaningful support on the floor of the Assembly.

I have spoken to Yarra's councillor Jackie Fristacky, who proposed the Yarra gambling motion, and she would be delighted if City of Melbourne supported Yarra's proposal.

If looking for a form of words, you could spell out the motion in full or adopt a more minimalist approach by simply adding an additional point as 8.3:

8.3: Inform the Australian Local Government Association before the 29 March deadline for lodging motions that City of Melbourne would like to co-sponsor the City of Yarra motion related to gambling passed at the March 19 City of Yarra council meeting. The text of the Yarra gambling motion is to be included in the minutes of this meeting.

I will be in town this afternoon and will try to observe tonight's proceedings from the public gallery. If any of you would like to discuss this proposed motion, please reply by email or call on 0412 106 241.

It's getting late, so I'll save a separate point about the \$75 million ANZ loan proposal for a formal submission before noon today, but as an initial heads up, you should be aware that ANZ is the largest financier of Australia's gambling industry.

Therefore, there may be opportunity to replicate the successful City of Melbourne tactic from 2016 which helped gently encourage Collingwood FC to divest their pokies venues by inserting a clause in their 10 year leisure access agreement with council related to a review of the proposal focused on Collingwood's ongoing exposure to the predatory poker machine industry. If you need a refresher on that, see this 2018 AGR media release at the time of Collingwood's memorable and powerful divestment announcement.

Anyway, have a think about that and I'll prepare a formal submission with a specific proposal later this morning, but the idea would probably be to simply write to ANZ asking them to inform council about its exposure to the gambling industry and encourage the bank to reduce this before the first review point in the loan agreement with council.

Kind regards, Stephen Mayne Communications Adviser Alliance for Gambling Reform

From: Stephen Mayne [mailto:stephen@maynereport.com]

Sent: Friday, 26 October 2018 8:09 PM

To: 'arron.wood@melbourne.vic.gov.au'; 'Kevin Louey'; 'rohan.leppert@melbourne.vic.gov.au';

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'sally.capp@melbourne.vic.gov.au'; 'beverley.pinder@melbourne.vic.gov.au'

Subject: City of Melbourne dodges a bullet on new pokies applications, achieves surprise drop in September losses

Dear City of Melbourne councillors,

Earlier today, the VCGLR released the September pokies losses data for LGAs across the state. See all the data here.

It showed that City of Melbourne gamblers recorded losses (excluding Crown) of \$7.01 million on the 702 pokies in your 10 operating venues (excluding The Celtic Club which has 40 pokies in a shed during its renovation) in September, which was a slight reduction on the \$7.18 million lost in September 2017. This unexpected reduction reversed earlier steep monthly gains and means Melbourne may just stay out of the top 10 Victorian councils for pokies losses. See this earlier press release with the 2017-18 league ladder where City of Melbourne was 11th with losses of \$83.99 million.

State-wide pokies losses in September 2018 were up 2% to a record \$229 million, continuing the disturbing trend for higher losses since legislation for new 20 year licences was passed last year. The Alliance's media release from today has more on this and is available here.

The Government has also just quietly released the full list of who has bought the 27,310 licences to operate pokies for 20 years from 2022 until 2042.

As you can see here, there are currently 26,559 entitlements allocated to specific venues and after the government re-allocated 414 lapsed club entitlements to pubs, communities are expected to face an increase in hotel pokies in the years ahead.

As you know, the capital city zone is the only uncapped part of Victoria, so City of Melbourne was certainly vulnerable to new applications.

Fortunately, none of the 5 new pub applicants we have identified today have designs on the City of Melbourne which will hopefully be able to retain its relatively modest 11 venues, which certainly compares favourably with the extraordinary 222 pokies venues in City of Sydney.

The new hotel applicants are as follows:

- ? Finmal Pastoral Pty Ltd 85 entitlements in City of Casey (uncapped area)
- ? Bay Road Hotel Pty Ltd 60 entitlements in City of Bayside
- ? Canchester Pty Ltd 50 entitlements in City of Manningham (Grrrrrr)
- ? Officer Hotel Pty Ltd 40 entitlements in City of Melton and 40 entitlements in City of Whittlesea (uncapped area)
- ? Zahev (Australia) Pty Ltd 60 entitlements in City of Melton

In City of Melbourne, 791 post-2022 entitlements have been sold, a reduction of 6 on the current allocation of 797.

Click on <u>this spreadsheet</u> to see who has bought your post-2022 entitlements. You can compare the shift in entitlements for different councils <u>here</u>.

The Alliance will be working with this data over the next week with local and metropolitan media and then engaging with candidates during the duration of the election campaign.

There may be opportunities for council commentary in this regard, particularly when your proposed planning scheme of amendment comes back to council in the coming weeks.

Finally, I attended the Docklands candidates forum on Wednesday night and raised the issue of City of Melbourne's lack of cap protection with the major party candidates in the seat of Melbourne. You can listen to the <u>full audio here</u>.

I will be MC at next week's Southbank candidates forum for the marginal seat of Albert Park and, circumstances permitting, propose to raise the issue on this occasion as well.

If you have further questions or would like more information, feel free to call any time on 0412 106 241 or reply to this email.

Otherwise, I look forward to catching up at the forthcoming Future Melbourne Committee meeting dealing with the planning scheme amendment which will admirably make it more difficult for future new pokies applications in the City of Melbourne.

Kind regards Stephen Mayne Communications Adviser Alliance for Gambling Reform