

**Notice of Motion, Cr Leppert: Electronic gaming machine licence renewals**

**6 February 2018**

**Motion**

That the Future Melbourne Committee:

1. Notes the endorsement of the draft Electronic Gaming Decision-Making Framework by this committee on 17 October 2017 and its findings relating to the significant social and economic harms to the City of Melbourne's citizens and communities caused by electronic gaming machines;
2. Makes it policy in relation to the upcoming 28 February 2018 deadline for applications to renew existing electronic gaming machine entitlements for 20 years from 2022 to 2042 that all venues with existing entitlements are encouraged to apply for a substantially lower number than are currently operating at the venue;
3. Requests that the CEO write to all incumbent venues in the municipality with a licence to operate electronic gaming machines (as listed at attachment 1 to the notice), as well as the CEO of each AFL club based in the municipality that operate venues with electronic gaming machines within the state (being Carlton, Richmond, Melbourne and Collingwood), by 9 February 2018, requesting that they respond to the policy of the City of Melbourne as stated above;
4. Requests that management make a media statement by mid March 2018 listing all venues and AFL clubs as defined above with their current and known requested future electronic gaming machine entitlements, acknowledging those that applied for an entitlement below the number of machines currently operating, listing the most recent expenditure data as published by the VCGLR for those that did not, and generally setting out the current state of electronic gaming machine entitlements and impacts in the municipality;
5. Reiterates the position of the City of Melbourne that the central city, currently the only part of the state without a cap on the number of electronic gaming machines, should be brought into the municipal cap;
6. Requests that, following the action taken in paragraph 4, the CEO write to the leader and gaming spokesperson of all parties currently represented in the Legislative Assembly informing them of Council's position and requesting that each party make specific election commitments prior to the 2018 general election including bringing the uncapped areas of the municipality into the municipal cap and reducing the state cap commensurate with the permanent retirement of all non-renewed entitlements.

**Background**

The Victorian Parliament passed legislation late last year approving new 20 year poker machine entitlements which will run from August 2022 until August 2042.

The entitlement renewal system proposed by the government involves a first right of refusal for existing entitlement holders provided deposits are paid before February 28, 2018, which is approximately 4.5 years before the new licence periods will commence.

Licence payments of almost \$50 million are expected to be made by the existing 502 venues, improving the 2017-18 budget outcome for the State Government and forcing venues to make a long term commitment at relatively short notice.

Ministerial discretion will apply in terms of the future allocation of any non-renewed entitlements.

Attachment 1 lists all 11 poker machine venues inside the City of Melbourne, excluding Crown which is subject to its own treatment in the regulations, along with a list of the 9 venues located outside the City of Melbourne but which are controlled by AFL clubs based inside the City of Melbourne, namely Collingwood, Carlton, Richmond and Melbourne. North Melbourne, which is also based in the City of Melbourne, is the only Victorian AFL club which does not own, operate or benefit from a poker machine venue.

The City of Melbourne's [draft Electronic Gaming Decision-Making Framework](#) was endorsed by the Future Melbourne Committee on 17 October 2017. It sets out the risks and impacts of electronic gaming machines, the City's harm-minimisation approach to dealing with those impacts, and various positions to advocate for change to the regulatory framework. One of the advocacy positions is the "inclusion of the uncapped areas under the municipal cap".

The City of Melbourne Council also previously resolved on 28 June 2016 to advocate directly to the Collingwood Football Club to reduce its reliance on income from electronic gaming machine when negotiating a funding arrangement for the City's use of the Club's facilities.

**Moved: Cr Leppert**

**Seconded: Acting Lord Mayor Cr Arron Wood**

City of Melbourne poker machine venues, expenditure and entitlements

<b>Venue name</b>	<b>Venue type</b>	<b>Expenditure 2016-17</b>	<b>Electronic gaming machine entitlement</b>
BATMAN'S HILL ON COLLINS	Hotel	\$2,067,960	22
BOURKE HILL'S WELCOME STRANGER	Hotel	\$14,375,383	100
CELTIC CLUB	Club	\$1,144,746	41
CLOCKS AT FLINDERS STREET STATION	Club	\$10,478,363	100
HEADQUARTERS TAVERN	Club	\$3,203,765	80
GOLDEN NUGGET	Hotel	\$9,030,488	60
MAIL EXCHANGE HOTEL	Hotel	\$7,981,762	80
MERCURE GRAND HOTEL ON SWANSTON	Hotel	\$14,764,180	90
PLAYERS ON LYGON	Hotel	\$7,755,691	69
SHANGHAI CLUB	Hotel	\$3,478,418	48
THE MEETING PLACE	Club	\$6,068,466	56

City of Melbourne-based AFL clubs' poker machine venues, expenditure and entitlements

<b>AFL Club</b>	<b>Venue name</b>	<b>Expenditure 2016-17</b>
Carlton	Club Laverton (Laverton)	\$6.27m
Carlton	Manningham Club (Bulleen)	\$4.35m
Carlton	Royal Oak (Richmond)	\$4.09m
Carlton	The Vic Inn (Williamstown)	\$2.9m
Collingwood	The Club (Caroline Springs)	\$7.38m
Collingwood	The Coach and Horses (Ringwood)	\$4.86m
Melbourne	Leighoak Club (Oakleigh)	\$7.74m
Melbourne	Bentleigh Club (Bentleigh)	\$2.56m
Richmond	Wantirna Club (Wantirna)	\$5.4m

*Source: Victorian Commission for Gambling and Liquor Regulation*