



VICTORIAN CASINO & GAMING AUTHORITY

<b>DECISION AND REASONS FOR DECISION</b>
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In the matter of an application by  
RPH Pty Ltd (Roxburgh Park Hotel)  
for approval of proposed premises at  
1650 Pascoe Vale Road, Coolaroo as  
suitable for gaming.

**DECISION**

**Authority:** Mr B. Forrest, Chairman

Mrs U. Gold, Member

Dr D. Hore, Member

**Date:** 3 July 2001

**Decision:** The application for approval of a proposed venue at 1650  
Pascoe Vale Road, Coolaroo as suitable for gaming is refused.

**...Sgd. B. Forrest...**  
**Chairman**

## **REASONS FOR DECISION**

**3 July 2001**

**Mr B. Forrest, Chairman  
Mrs U. Gold, Member  
Dr D. Hore, Member**

- 1 This is an inquiry by the Victorian Casino and Gaming Authority (the Authority) held pursuant to section 111 of the *Gaming Machine Control Act* 1991 (the Act).
- 2 The subject of the inquiry is an application by RPH Pty Ltd (the applicant) for approval of premises to be located at 1650 Pascoe Vale Road, Coolaroo in the City of Hume as suitable for gaming. The applicant seeks approval of the proposed premises for eighty electronic gaming machines (EGMs) commonly known as poker machines operating 20 hours per day to be incorporated in a proposed hotel complex to be known as the Roxburgh Park Hotel.
- 3 Section 111 of the Act empowers the Authority to hold inquiries in public or in private, presided over by one or more members of the Authority. The present inquiry is in public before three members of the Authority delegated under section 107A(1A) of the Act to exercise the functions of the Authority in determining this application.
- 4 In the exercise of its functions the Authority has a quasi-judicial role to the extent that it is required to apply and interpret statutory provisions. However, as the Authority is an administrative body it will conduct its proceedings in an inquisitorial and not an adversarial basis with as little technicality and formality as will a proper consideration of the matters permit.

- 5 Part 2A of the Act contains the relevant provisions concerning approval of premises for gaming. A number of important amendments to Part 2A were introduced into the Act by the *Gambling Legislation (Responsible Gambling) Act 2000* (the RGAct) with effect from 10 May 2000. In the second reading speech of the bill introducing the amendments in the Legislative Assembly on 2 March 2000, the Minister for Gaming Mr Pandazopoulos stated their purpose was to:

“secure a better balanced approach to gambling and better protect the community from the adverse effects of gambling.”

- 6 The RGAct expanded the objects of the Authority (section 109) to include-

“...(f) to foster responsible gambling in order to—

- (i) minimise harm caused by problem gambling; and
- (ii) accommodate those who gamble without harming themselves or others.”

- 7 For present purposes the significant amendment introduced by the RGAct is the requirement to address the economic and social impact upon the wellbeing of the community of the municipal district in which the premises are, or are to be located, of an application for approval of the premises as suitable for gaming (or for additional gaming machines at an approved venue). Section 12B of the Act provides:

***12B Application for approval of premises***

- (1) The owner of premises or a person authorised by the owner may apply to the Authority for the approval of premises as suitable for gaming.
  - (2) An application for approval must be made in a form in or to the effect of the form approved by the Authority and must be accompanied by the prescribed fee.
  - (3) The application must contain or be accompanied by—
    - (a) evidence of the applicant's interest in the premises or any other relevant authorisation; and
    - (b) any additional information that the Authority may request.
- (3A) If an applicant for approval of premises—

- (a) in the Melbourne Statistical Division; and
- (b) in respect of which a licence granted under section 8 or 10 of the **Liquor Control Reform Act 1998** authorises the supply of liquor at any time—

wishes to open the premises as an approved venue for 24 hours on any day, the application must also be accompanied by a submission—

- (c) on the net economic and social benefit that will accrue to the community of the municipal district in which the premises are located as a result of the premises being open as an approved venue for 24 hours; and
  - (d) taking into account the impact of the proposal for approval on surrounding municipal districts.
- (3B) A submission under sub-section (3A) must be made in or to the effect of the form approved by the Authority and must include the information specified in the form.
- (4) Within 14 days of an application, an applicant must send a copy of the application to the relevant responsible authority within the meaning of the *Planning and Environment Act 1987*.
- (5) If a requirement made by this section is not complied with, the Authority may refuse to consider the application.

- 8 The municipality within which the proposed premises are, or are to be located, (which must be served with a copy of the application) may within 28 days thereafter make a submission to the Authority addressing the economic and social impact of the proposal and taking into account the impact on surrounding municipal districts. The Authority must consider a submission so made: s12CA.
- 9 In considering an application the Authority is required to be satisfied of the matters prescribed by section 12D which provides:

***12D Matters to be considered in determining applications***

- (1) The Authority must not grant an application for approval of premises as suitable for gaming unless satisfied that—
- (a) the applicant has authority to make the application in respect of the premises; and
  - (b) the premises are or, on the completion of building works will be, suitable for the management and operation of gaming machines; and
  - (c) the net economic and social impact of approval will not be detrimental to the well-being of the community of the municipal district in which the premises are located."

- (2) In particular, the Authority must consider whether the size, layout and facilities of the premises are or will be suitable.

10 The powers of the Authority in determining an application and the conditions which may be applied to an approval of premises are set out in section 12H which provides:

***12H Determination of application***

- (1) The Authority must determine an application by either granting or refusing to grant approval of the premises and must notify the applicant in writing of its decision.
- (1A) It is a condition of every approval of premises that, when the premises are an approved venue—
  - (a) there must be a continuous 4 hour break from gaming after every 20 hours of gaming; and
  - (b) there must not be more than 20 hours of gaming each day.
- (1B) Sub-section (1A) does not apply to premises in the Melbourne Statistical Division on any day or date specified in an approval of premises or in a venue operator's licence as a day or date on which 24 hour gaming is permitted in the premises.
- (1C) Sub-sections (1A) and (1B) apply to—
  - (a) an approval of premises granted under this section; and
  - (b) a new approval granted under section 12J—where the application for approval is made on or after 2 March 2000.
- (2) An approval may be granted subject to any other conditions that the Authority thinks fit and must specify the number of gaming machines permitted and the gaming machine areas approved for the premises.
- (3) Without limiting the matters to which conditions may relate, the conditions of an approval may relate to any matter for which provision is made by this Act but must not be inconsistent with a provision of this Act.
- (3A) If the Authority approves the opening of premises as an approved venue for 24 hours on any day—
  - (a) the approval must specify the days or dates on which 24 hour gaming is permitted in the premises; and
  - (b) the Authority must cause notice of the approval to be published in the Government Gazette.
- (4) The Authority is not required to give reasons for its decision on an application but may give reasons if it thinks fit.

11 We are satisfied that of the matters requiring consideration under section 12D, the applicant has the authority to make the application and that the premises on the completion of the proposed building

works will be suitable for the management and operation of gaming machines. The only element of section 12D for determination is paragraph (c), that is the net economic and social impact of approval.

12 The Act does not attempt to prescribe the criteria against which the economic and social impact is to be tested. As economic and social impacts are not exclusive of each other but interconnect in that an economic impact has a social impact and vice versa, the Authority does not attempt to draw some artificial distinction between the economic and social impacts of gambling.

13 In a previous matter (Werribee Football Club Inc.-decision 28 March 2001) the Authority described its role in relation to section 12D:

“15. In considering section 12D(1)(c), the work of the Authority is two-fold; firstly to make an assessment of the net economic and social impact of approval of the proposal; and secondly to determine if the impact of approval will be detrimental to the wellbeing of the community in the municipal district where the premises are located. Unless the Authority is satisfied that the impact will not be detrimental to that community, the application must not be granted.

16. This task requires an evaluation of the state of the evidence and material before the Authority, having regard to the nature of the requirement to be satisfied keeping in mind the purpose and aim of the legislation which introduced section 12D. The key phrases “net economic and social impact” and “detrimental to the wellbeing of the community” are comprised of words of common understanding to be applied intelligently and consistently without departing from their ordinary and grammatical meaning. They do not have some special meaning.”

- 14 In previous hearings the Authority has stated that the degree of satisfaction required by section 12D is the civil standard of proof. Mr Rantino solicitor for Hume City submitted that this approach was incorrect because the provision does not use the words “reasonably satisfied” or “satisfied on the balance of probabilities.”
- 15 We are unable to agree with this submission. The fact that the word “satisfied” is not qualified by “reasonably” or that the phrase “on the balance of probabilities” is not used to describe the degree of satisfaction does not detract from the view we have that the quality of persuasion required by the provision is to be found in the civil standard. Clearly the Authority must be persuaded as to the matters specified in section 12D(1). However the question posed by paragraph (c) which is the focus of the inquiry, is not one requiring the extreme caution of proof beyond reasonable doubt as in a criminal case: see the discussion in *Briginshaw-v-Briginshaw* (1938) 60 CLR 336 per Dixon J at 361-63 and *Repatriation Commission-v-Smith* 74 ALR 537.
- 16 The Authority had before it the book of documents prepared for the inquiry together with the exhibits received in evidence. Written reports were provided on behalf of the applicant by Peter Buckingham, Managing Director of Spectrum Analysis, a company providing demographic and marketing analysis to corporations including Tattersall’s, Jeffrey Rae, Director of ACIL Consulting, an economic policy consultancy, Andrew Rodda, a town planner of Contour Consultants Australia and Anthony Close, a valuer of Herron Todd White. These persons, with the exception of Mr Close, also gave oral evidence. The applicant also called Ewan Wright and Wrexford Blake both residents of Roxburgh Park who provided witness statements as well as giving oral evidence.

- 17 The City of Hume called Dr James Doughney, Senior Researcher Victoria University of Technology and Ms Julie Nelson, Manager of Gamblers Help Northern. Both provided witness statements as well as giving oral evidence. Witness statements of Rev. Leonie Purcival of Roxburgh Park Uniting Church, Leigh Barrett, Manager, Broadmeadows Uniting Care, a personal and financial counselling service and Abdhurrahman Kuzucu, Treasurer of the Australian Islamic Social Association were also received in evidence on behalf of the City of Hume.
- 18 The proposed development is in two stages. The first is a single storey hotel complex including bars, bistro, function room, drive-in liquor sales, children's play area and a gaming area. The second stage is a motel and conference facility. The site is located on the south east corner of the intersection of Somerton and Pascoe Vale roads in the City of Hume at the junction of the suburbs of Coolaroo, Roxburgh Park, Somerton and Meadow Heights. We were informed that the applicant has purchased the site subject to obtaining necessary approvals including approval of the proposed premises for eighty gaming machines.
- 19 A planning permit for the hotel complex was issued by the City of Hume in 1999. As the proposed gaming area is less than 25% of total floor area, a municipal planning permit was not required for gaming purposes irrespective of the number of gaming machines sought to be installed. The applicant pointed out that the City of Hume, in opposing this application appears to have changed its mind since it granted planning approval for the hotel complex incorporating a gaming venue. The Authority does not regard this point as material and sees nothing untoward or sinister in the stance taken by Council in this application. We note that with the introduction of the RG Act there is



a heightened awareness of gambling issues, particularly at a municipal level due to the rights which the legislation confers on local councils to participate in the gaming approval process.

- 20 The City of Hume with its municipal headquarters at Broadmeadows is located on the urban-rural fringe 20 kilometres north west of the centre of Melbourne. It is bounded by the Merri Creek, Maribyrnong River, Western Ring Road, the Calder and Tullamarine freeways and the foothills of the Macedon Ranges. It has a mix of industrial, residential and rural land use and areas committed to future urban growth. Significant industrial areas are Campbellfield, Tullamarine and Somerton. Residential areas are primarily Broadmeadows, Gladstone Park, Meadow Heights, Coolaroo, Westmeadows, Greenvale and the growth areas of Sunbury, Craigieburn and Roxburgh Park.
- 21 There are currently seven hundred and thirty-nine gaming machines installed in the City of Hume operating from thirteen venues:

<i>Venue</i>	<i>No. Gaming Machines</i>
Ballcourt Hotel, Sunbury	- 5
Broadmeadows Club, Jacana	- 82
Craigieburn Sporting Club	- 53
Gladstone Park Hotel, Tullamarine	- 100
Meadow Inn Hotel, Campbellfield	- 85
Olive Tree Hotel, Sunbury	- 38
Penthouse Hotel/Motel, Coolaroo	- 60
Royal Hotel, Sunbury	- 31
Sunbury Bowling Club	- 78
Sunbury Football Social Club	- 38
Sunbury United Sporting Club	- 27
Sylvania Hotel, Campbellfield	- 100
Westmeadows Tavern	- 42
<b><i>Total</i></b>	<b><i>739</i></b>

- 22 Earlier this year the State Treasury released the statewide statistics of gaming machine expenditure for the financial year 1999-2000 in a document headed “Player loss details by local government area 1998-1999 and 1999-2000.” The statistics for the City of Hume are as follows:

<i>Financial Year</i>	<i>Total Player Loss</i>	<i>EGM density</i>	<i>Average Player loss</i>	<i>Average Player loss per EGM</i>
<b>1998-1999</b>	\$57,864,650	8.2	\$658.69	\$80,817
<b>1999-2000</b>	\$66,556,065	8.4	\$747.28	\$89,217

The EGM density is the number of gaming machines per 1000 adults resident in the local government area.

- 23 The net expenditure of \$747.28 per adult represented a growth of 13.45% from the previous year. This level of expenditure puts the City of Hume 12th highest of the thirty-one metropolitan municipalities in terms of gaming machine expenditure.
- 24 Tables prepared by an officer of the Authority summarising the effect that an increase of seventy gaming machines would have on a number of indicators were before the inquiry. Although the application is for approval of eighty gaming machines, the assessment was made on the basis of an increase of seventy gaming machines. Another venue within the City of Hume, the Penthouse Hotel has agreed (and would be required) to surrender ten gaming machines, should this application be granted. As the City of Hume is a metropolitan municipality the tables included below are for metropolitan municipalities only. The tables were prepared using the Department of Treasury statistics for gaming machine expenditure in the financial year 1999-2000 and population projections for local government areas published by the Department of Infrastructure in 1996 and updated in December 2000.

<b>Effect of Proposal</b>
(a) Hume currently has 9.2% more EGMs per 1,000 people (18+ years) than the metropolitan municipality average. The proposal will increase this figure to 19.5% more than the metropolitan municipality average.
(b) Hume is currently ranked 13 <sup>th</sup> highest out of 31 metropolitan municipalities in terms of EGMs per 1,000 (18+ years). The proposal will change this ranking to 9 <sup>th</sup> .
(k) Hume has 8.9% fewer people (18+ years) per venue than the metropolitan municipal average. The proposal will change this to 15.4% fewer than the metropolitan municipal average.
(l) Hume is currently ranked 13 <sup>th</sup> out of 31 metropolitan municipalities in terms of persons (18+ years) per venue. The proposal will increase this ranking to 11 <sup>th</sup> .
(n) Expenditure on EGMs in the 13 venues in Hume per 1,000 (18+ years) is 14% above the metropolitan municipality average. The proposal will increase this to 27% more than the metropolitan municipality average.
(o) The proposal is expected to increase expenditure by 11.4% which will move Hume from 12 <sup>th</sup> to 7 <sup>th</sup> highest of 31 metropolitan municipalities in terms of net EGM expenditure per 1,000 (18+ years).

- 25 In compiling the analysis of the impact of an additional seventy gaming machines, another venue, the former Broadmeadows Town Hall, which has approval for one hundred and five gaming machines was excluded from the assessment. The former Broadmeadows Town Hall in Pascoe Vale Road Broadmeadows is an approved club venue for one hundred and five gaming machines. Approval was granted by the Authority on 28 March 2000, prior to the current legislation coming into force on 10 May 2000. However the venue has to date not opened as a club and the venue operator, North Melbourne Football Club Social Club, is in dispute with the City of Hume. Counsel were asked during the proceedings as to the current position with that venue, but not much was forthcoming which could assist the Authority. The lack of something concrete is, we assume, an indication that the present position remains unclear. Our attention was drawn to a media release by the Mayor of Hume (14 February 2000) to the effect that the City of Hume intended to seek to enforce the terms of the lease that the Council had with North Melbourne. Mr Rantino said the information in the media release basically remains the position of Hume Council. Mr Morris also referred to a press

report (The Age May 3, 2001) to the effect that North Melbourne has received a statutory demand for unpaid rent of between \$100,000 and \$200,000. The press report goes on to quote the North Melbourne Football Club president as saying the Club may be forced to fight the Council in the Supreme Court but did not think it would come to that as his club was looking at a number of different options.

- 26 Mr Morris submitted the Authority should infer as a probability that the Broadmeadows Town Hall will never open as a gaming venue, so the one hundred and five gaming machines approved for the venue should be disregarded in the impact assessment of his client's proposal. Mr Rantino opposed the submission.
- 27 An approval of premises for gaming remains in force for five years or for any lesser term as may be specified unless approval is cancelled, revoked or surrendered: s12I of the Act. The holder of an approval of premises has the right to apply for a renewal: s12J. The approval issued to North Melbourne Football Club Social Club is for five years from 28 March 2000. The Authority is not aware of any steps under the Act to have the approval surrendered, cancelled or revoked.
- 28 Despite some doubts about the fate of the Broadmeadows Town Hall as a gaming venue, on the available material, limited though it is, we are unable to infer as a probability that this venue will not open as a gaming venue. Accordingly, we proceed on the basis of the current approval for one hundred and five gaming machines as presently granted, an approval which is separate and distinct from the requirements to be satisfied by a venue operator. The City of Hume took into account the approval for one hundred and five gaming machines at the Broadmeadows Town Hall for the purpose of considering the impacts of the present proposal and we propose to do likewise.

29 It was submitted by Counsel for the applicant that the approval of the subject premises for gaming will have substantial net economic and social benefits for the wellbeing of the community in the City of Hume, in particular the Roxburgh Park, Meadow Heights and Greenvale communities. The benefits were summarised as:

- A substantial community hotel with a wide range of facilities.
- Individual patrons will derive pleasure from gaming.
- Persons living in Roxburgh Park, Meadow Heights and Greenvale (in particular) and Craigieburn, Coolaroo, Broadmeadows and Somerton will have a wider choice of social and entertainment facilities.
- An overall improvement in the spatial accessibility of gaming machines within the City of Hume with a consequent reduction in travel and related costs.
- A substantial contribution to local employment.
- A significant economic benefit to local suppliers.
- A substantial benefit to government and its ability to fund public infrastructure and public services in the City of Hume.
- The community of the City of Hume, particularly the community in the vicinity of the venue, has a good capacity to support additional gaming expenditure without causing significant social problems.

30 The submission of the applicant, accompanying the application for approval of eighty gaming machines stated:

“the City of Hume will gain between \$4.3 million and \$5.5 million in terms of net benefit from gaming to the community from the proposed hotel, this is after the expenditure by consumers and does not include

the benefits patrons will gain from utilising other facilities within the proposed hotel.”

- 31 Other estimates provided by the applicant in its submission were:
- Employment (gaming area only) equivalent to 15 full time positions.
  - Building costs (hotel complex) \$5million.
  - Annual Supply contracts (gaming area) \$186,000.
  - Annual complementary expenses (gaming area) \$450,000.
  - Revenue distributions, donations and discounts \$100,000.
- 32 The gaming room is expected to attract approximately 3360 patron visits per week (just under 25% of the total to the hotel complex weekly). Anticipated net gaming machine expenditure for the first twelve months is \$8.736 million.
- 33 Mr Buckingham said that as part of his market research work for Tattersall’s he identified primary, secondary and tertiary trade areas for the proposed venue. The primary areas are the suburbs of Roxburgh Park, Meadow Heights and Greenvale. Secondary areas include Westmeadows, Coolaroo, Broadmeadows, Campbellfield and Somerton, the west of Epping and Craigieburn. The tertiary areas are Tullamarine, Glenroy, Pascoe Vale, Thomastown, Lalor and Epping. He anticipated that 35% of gaming revenue would come from the primary area, 20% from the secondary area, 24% from the tertiary area and 21% from outside those areas, that is, beyond ten kilometres from the venue.
- 34 Of the forecast net gaming expenditure of \$8,736,000 from eighty gaming machines Mr Buckingham estimated a 77% expenditure transfer or “cannibalisation” as it is sometimes called, of net gaming expenditure from the nearest ten venues to the proposed venue (the

seven nearest are within Hume). This estimate was made he said, relying on an analysis of a new venue the Sands Hotel in an outer south eastern metropolitan growth area from financial data supplied by Tattersall's which revealed 42% of gaming revenue transferred from the nearest seven Tattersall's venues and also on the spread of venues around the proposed hotel. He said that in growth areas, an average of 40% of the gaming revenue of a new Tattersall's venue is transferred from existing Tattersall's venues out to a maximum of ten kilometres or from the closest seven venues whichever was the lesser. Because of the high substitutability of gaming machines he estimated that a roughly similar but lesser transfer, could be expected from Tabcorp venues.

- 35 Mr Buckingham then made further estimates of the likely sources of expenditure from customers within and outside of Hume, the identified trade areas and transients. The result of this exercise was a forecast increase in gaming expenditure in Hume of \$2,970,240 (34% of 8.7 million or \$109,500 per machine, per annum) of which \$1,397,760 (16% of 8.7 million) will be new gaming expenditure by Hume residents.
- 36 The Australian Bureau of Statistics has compiled Socio-Economic Indexes for areas, specifically the Index of Relative Socio-economic Disadvantage, 'SEIFA Index' which is used for the purpose of considering the economic and social impacts of gaming machines. The index is created by combining a number of measures of disadvantage including levels of education, unemployment and income. A higher index score means an area is more advantaged. The thirty-one metropolitan municipalities range in ascending order from 887.68 to 1133.78 with an average of 1022.13. The City of Hume with a score of 976.39 is ranked 26th of the thirty-one metropolitan municipalities.

- 37 In evidence Mr Buckingham questioned the relevance of the index scores as they are derived from census data collected in August 1996. He undertook a suburb by suburb (within the City of Hume) recalculation based on Hume population forecasts to create a “new SEIFA 2001” of nine hundred and eighty-four for the municipality. This score would lift Hume three places to twenty-third of the thirty-one metropolitan municipalities.
- 38 With a new census due later this year, the data used in the present index is not up to date. Whether the updated version is of much assistance is another question. Firstly a similar exercise was not performed for other municipalities to determine if the relativities between municipalities have changed. The assumed 2001 rating for Hume was achieved by comparing that rating with the 1996 rating for other municipalities. Second, the community in Hume under consideration is not confined to the residents of forecast primary trade areas which was the focus of the exercise to arrive at the 2001 figure. Even if that were the case, the Hume City submission, in which the “Roxburgh Park Catchment Area,” a phrase picked up from the applicant’s submission, that is, areas within 2.5 kilometres of the proposed hotel, including the residents of Roxburgh Park, Meadow Heights and parts of Coolaroo and Greenvale, casts serious doubt on the accuracy of the applicant’s assertion that that area is a relatively affluent one. According to the submission, the depiction of the area as relatively affluent is considered by Council to be an inaccurate representation of the area and not supported by the evidence of a low to middle income locality with high rates of home purchase.
- 39 The thrust of Mr Rae’s evidence was to use the concept of consumer surplus when measuring the impact of gambling in terms of wellbeing



having regard to the entertainment value of gaming machines (whether patrons win or lose) and the chance to win prizemoney.

40 In essence the emotional or enjoyment benefits of an experience or activity or commodity are said by the proponents of the concept to be capable of measurement in dollar terms and are included in the total benefits obtained by participants in that experience or activity, in this case gambling. The difference between what is actually paid and what a consumer would be willing to pay for the gambling experience is a benefit which economists refer to as consumer surplus. Mr Rae believes that this concept has general agreement among economists as the appropriate way to measure effects on wellbeing. In gambling, ‘competent adults’ to use Mr Rae’s term, are participating in an activity they get something out of, as informed consumers making rational decisions from which they derive a benefit, measured as consumer surplus.

41 Mr Rae estimated the net benefit to the City of Hume community per year as follows:

- *Consumer Surplus*                      *\$0.8 to \$1.0 million*
- *Complementary services*        *\$0.4 to \$0.5 million*
- *Savings in travel costs*            *\$0.4 million*  
(by patrons being closer to proposed venue)

42 Mr Rae accepted the Productivity Commission estimates of consumer surplus but not the adjustment the Commission made for problem gambling, that for individual losses exceeding \$1,500 per year there is no consumer benefit. Mr Rae removed that adjustment saying there is no empirical evidence to support it. With that qualification, he made an estimate of consumer surplus using Productivity Commission figures to calculate the City of Hume proportion. In evidence he acknowledged the inherent uncertainty of his figures but considered

his approach represented a broad and plausible outcome, all up a net benefit to the residents of Hume of between \$1.6 million and \$1.9 million a year.

- 43 In further evidence Mr Rae said he did not include in his estimates any job losses or adverse impacts on other businesses as a result of the transfer of gaming and complementary expenditure, because capital and labour resources are able to adjust in the longer term. In further evidence he did not discount that there will be an adjustment process which will impact on the local scene with the gaming and other expenditure as forecast at the new venue, but he did not regard this as a disbenefit. The adjustment process of capital and labour could take possibly three to five years. The resources of the economy will adjust to effects on businesses and employment generally, some will expand others supplying things less favoured will contract as part of the process of competition. For those who have difficulty adjusting to economic change there are business assistance programs and in the labour market, retraining and unemployment benefits to ameliorate the consequences, he added.
- 44 Mr Wright is Chairman of the Roxburgh Park Residents Association, a body established to promote the interests of residents. Membership is limited to residents of Roxburgh Park and about 20% of the adult population are members. The Association meets monthly and distributes a resident's newsletter. In his other capacity as an employee of the Urban Land Authority (the developer of the Roxburgh Park residential estate), Mr Wright has been involved with the growth of Roxburgh Park since 1994. He gave evidence that the Association supports the hotel/gaming complex, believing that it will be of benefit to the Roxburgh Park community which is presently lacking the facilities which the complex will provide. When asked if

the Association was in fact supporting the other facilities the hotel would offer and whether it would support a hotel without gaming machines, Mr Wright replied– “Quite probably so, yes.”

45 Mr Blake a retired hotelier, is a committee member of the Roxburgh Park Residents Association. He corroborated Mr Wright’s evidence that the proposed development will be a valuable asset for the community of Roxburgh Park.

46 Hume City Council made a submission to the Authority. The Council regarded the economic impact of the proposal on the municipal district as “difficult to conclusively determine,” the social impact as “detrimental” and recommended against the granting of the application unless the gaming machines were relocated from other venues within Hume. In other words, the Council opposed any increase in gaming machine numbers in the municipality at the present time.

47 The City of Hume recently adopted a gaming policy. A guideline of the policy is:

“In light of the State Government’s cap on the total number of gaming machines in Victoria, and the current density of gaming machines in Hume City, the Council does not want to see any net increase in gaming machines in the municipal district, until such time as the population of Hume City renders the gaming machine density below the metropolitan cap average. Council will give consideration to the relocation of gaming machines within the municipal district, if such relocation results in the reduction of gaming machines in areas where there is a high gaming machine density per 1000 Adults, and locates the machines to areas where there is an under supply. In determining

the gaming machine densities in specific localities, Council will give consideration to precinct densities of gaming machines."

- 48 The 'metropolitan cap average' as that expression is used in the policy document, refers, as we understand it, to the 80% of the total number of gaming machines permitted in metropolitan municipal districts (excluding Crown Casino), the remaining 20% being in country municipalities.
- 49 In relation to the status of a policy developed by a municipality the Authority will have regard to its terms providing they are not inconsistent with the objects and purposes of the Act. However, the determination of this matter is not dependent upon compliance with the terms of the policy because the policy does not have legislative force.
- 50 Dr Doughney who has a PhD in political economy developed a software package LAPIST the acronym for 'Local Authority Pokie Impact Software Tool' to model the impacts of gambling. The package was developed in conjunction with a gambling subcommittee of the Victorian Local Governance Association for the purpose of enabling local government authorities to model the economic impact of an increase in gaming machine numbers at the local level in terms of employment and value added locally. The software which is sold commercially was used by the City of Hume for the purposes of evaluating the economic impact of the proposal.
- 51 In evidence Dr Doughney gave an explanation of the software and supplied print outs using the same estimates as the City of Hume. Annexure A to Dr Doughney's witness statement is an estimate of the likely economic impact on the City of Hume of the proposed hotel with the original investment included and also an estimate of the

effects of an equivalent amount attributed to alternative investment. Annexure B is an attempt to estimate the local economic impact of the hotel without the venue investment or an alternative investment figure being included.

- 52 The outcome of the modelling exercise was a negative local economic impact of minus \$2.77 million equivalent to a net employment loss of sixty-six on an ongoing basis on the basis of an increase in net gaming expenditure in Hume of \$7,600,000 per annum, being 70/80ths of the estimated net gaming machine revenue generated by an extra seventy gaming machines (ten machines already in Hume). It is unnecessary to recite the detail of the assumptions used in the modelling exercise.
- 53 In cross examination Dr Doughney answered that the estimates used for the purpose of his calculations were based on reasonable assumptions using Australian Bureau of Statistics input/output tables for the Australian economy as applied to the applicant's estimates.
- 54 In further evidence Dr Doughney disagreed with Mr Morris who suggested that the model will always produce a negative economic impact result. He said that if the figures for escape spending, expenditure from savings and from persons outside the local government area were substantial so as to counteract the effects of gaming machine expenditure, a different result could follow. In arriving at a negative local economic impact, he pointed to the significance of the extent of local leakages from the local area, 33⅓% taxation including licence fee, 33⅓% to the gaming operator (Tattersall's or Tabcorp) and 8⅓% (hotels) to the Community Support Fund. In this, gaming machine spending unlike any other form of local economic activity is unique, he said.

- 55 Dr Doughney disagreed with the use of consumer surplus as a measure of wellbeing. In his opinion the link was tenuous and intangible. Contrary to Mr Rae, Dr Doughney opined that it was wrong to apply consumer surplus to gambling because its status in economic theory is controversial and because of the specificity of gambling as a form of activity.
- 56 Gamblers Help Northern provides counselling services for problem gamblers in seven northern municipalities. The service is funded from the Community Support Fund. It operates from two locations in the City of Hume. Counselling is also available in Arabic, Greek, Italian, Macedonian and Vietnamese.
- 57 In a witness statement supplemented by oral evidence Ms Nelson said that client numbers of Gamblers Help in the City of Hume were ninety-one in 1999-2000 and ninety-six for the nine months of 2000-2001 (projected to be one hundred and twenty-eight for twelve months). She said 80% of problem gamblers presenting to the service have problems with gaming machines. People who attend the service include partners and sometimes children and family members who are concerned about a person's gambling. These people are given advice rather than counselling and are not included in client numbers. Ms Nelson estimated these people represent about 10% of enquiries. She said:

"The total number of those presenting to services such as Gambler's Help does not quantify the problem. Since the inception of the service, less than 0.5% of the population of the region have presented for assistance. The most conservative estimates of the extent of problem gambling in the community are that 2-3% of the adult population have clinical signs of either compulsive or

problematic gambling behaviour. What we see at our service is no more than the 'tip of the iceberg.'

In our experience, shame and embarrassment are the greatest inhibitors to seeking help. Those who do present are often in crisis, and have usually run out of options."

She concluded by expressing concern that a gaming venue could become the focus of community life in Roxburgh Park:

"the probability of problem gambling occurring at a level beyond that expected within a community may well be heightened by a lack of alternative recreational facilities in the view of this service."

58 In her statement Rev. Leonie Purcival stated a number of concerns which were predominantly matters of gambling policy and regulation. In relation to the present application her Church Council is opposed to additional gaming machines in Hume. She stated that Church agencies report an increase in problem gambling and the associated impact on families. She concluded that as a group church members are not anti gambling but are very conscious of the impact of commercial gambling facilities on a new community like Roxburgh Park.

59 Mr Barrett does not support inclusion of gaming machines as part of the hotel complex. He wrote:

"Roxburgh Park is a relatively isolated community for which local recreational choices are extremely limited. The area has a high number of young families with substantial levels of debt, especially home mortgages and other loans."

60 Mr Kuzucu is a resident of Hume. The main Melbourne branch of the Australian Islamic Association is located in Dallas, a suburb of Hume. The Association is strongly opposed to gaming machines at the

proposed venue. He identified two problems, one, that some members of the Islamic community who get into difficulty gambling are loath to seek help because gambling is against their religious beliefs, the other is that there are many low income earners in Hume for whom the temptation to gamble is great “some members of the community see gambling as a way of breaking the low income cycle.” He added:

“Meadow Heights and Roxburgh Park have a high number of overseas born migrants, many of whom are still undergoing difficulties in establishing themselves in this country.”

- 61 During these proceedings reference was made to the Productivity Commission Inquiry Report into Australia’s Gambling Industries (26 November 1999) and to some of the surveys commissioned by the Authority as part of its then research function. These reports have their supporters and their detractors to varying degrees depending on particular findings. One of the reports referred to during the hearing was the March 2000 Report by the National Institute of Economic and Industry Research (NIEIR).
- 62 In response to the Productivity Commission which did not accept earlier NIEIR findings as to the source of increased gambling expenditure, NIEIR criticised survey results of the Productivity Commission and also research commissioned by the Authority. According to NIEIR, the Productivity Commission was inconsistent in calculating the gross benefits and gross costs of gambling. The report observed (and Mr Rae agreed) that if the Productivity Commission approach to gambling were adopted for all studies of the economic system the high social costs associated with general market activity would significantly reduce Australia’s net GDP. In relation to that comment, and as we are here concerned with impact on wellbeing, we note that, the use of GDP growth as a measure of wellbeing is rejected



by other reputable economists on the ground that GDP fails to balance the benefits and costs of economic growth.

- 63 The NIEIR report was also critical of a Victoria University study with which Dr Doughney was associated, saying it ignored positive effects of gaming in local areas. Dr Doughney responded that his approach is a more realistic one. Contrary to Mr Rae, (and the Productivity Commission) the NIEIR report did not accept the use of consumer surplus to value benefits.
- 64 It is not the role of the Authority in these proceedings to attempt to reconcile academic disagreement between economists or the merits of contradictory findings in research studies. It is not within the nature or scope of this inquiry to do so. Despite its critics, primarily for present purposes in its research methodology, the Productivity Commission report has credibility as a comprehensive study of gambling in Australia. An extensive process of Australia-wide participation and consultation preceded the release of the final report on 26 November 1999. We intend in evaluating the evidence and material for the purpose of our assessment of the net economic and social impacts of the present proposal to have regard to the relevant key findings of the Productivity Commission.
- 65 In providing ballpark estimates of the benefits and costs of gambling the Productivity Commission acknowledged the hazardous nature of the exercise. Net benefits from consumption (including tax revenue) were estimated to range from \$4.4 billion to \$6.1 billion per annum for 1997-98. Net costs of problem gambling were estimated to range from \$1.8 billion to \$5.6 billion, yielding a range from a net community cost of \$1.2 billion to a net community benefit of \$4.3 billion. In arriving at its figures the Commission included estimates of consumer surplus. The Commission emphasised that the highly

aggregated numbers mask significant variations by gambling mode, lotteries yielding a clear net gain whereas gaming machines and wagering include the possibility of net losses.

- 66 In its report the Productivity Commission discussed at length the issue of problem gambling. The Commission estimated that just over 290,000 people or 2.1% of Australian adults have problems with their gambling. According to the Commission problem gamblers comprise 15% of regular (non-lottery) gamblers and account for about \$3.5 billion in expenditure annually – about one third of the gambling industries market. Gaming machines accounted for 76% of the total amount of money spent by problem gamblers in 1997-98.
- 67 When the legislation poses the question of whether the impact will be detrimental or not, it is in recognition of the social cost of uncontrolled expenditure on gaming machines. The wellbeing of those for whom gambling is a pastime of choice has to be balanced against the adverse social consequences that flow from the level of spending on gaming machines by a minority of Australians, in percentage terms small, but numerically a significant number who gamble beyond their means.
- 68 Gambling in its various forms appeals to many Australians who without harm to themselves or others derive enjoyment from it. The law recognises this. In that sense spending on gambling contributes to the wellbeing of the community in providing a form of entertainment. In addition it provides taxation revenue for the benefit of the community at large. At the local level it provides some employment and investment and support for charitable and sporting groups, although as the Productivity Commission found net gains in jobs and economic activity are small when account is taken of the impact on other industries of the diversion of consumer spending to gambling.

Furthermore, the employment and investment in an industry are measures of the amount of resources in an industry, not measures of the contribution of an industry to the wellbeing of the community. In the absence of gambling it is reasonable to infer that resources and consumer spending would be diverted elsewhere.

69 It seems reasonably clear that the economic model developed by Dr Doughney will usually produce a negative economic impact at the local level as the model assumes that people do not derive any benefit from the money they spend on gaming machines.

70 On the other side, the approach of Mr Rae will produce a positive outcome with his argument that gaming expenditure, reflecting the true preference of consumers behaving rationally in the exercise of their choice, is an addition to wellbeing. This approach (consistent with the applicant's submission that the incidence of problem gambling is exaggerated) discounts social costs and the effects of problem gambling. This argument, if accepted, would in effect disregard Ms Nelson's evidence. With her experience 'at the coalface' she impressed as a credible witness who did not seek to overstate the extent of problem gambling. The applicant's argument assumes the economy will make the necessary adjustments and regards the Productivity Commission methodology in its estimates of costs as flawed. It will be recalled that the Productivity Commission included some benefits for problem gamblers in its estimates, these were regarded by Mr Rae as arbitrary and too low. For our part, we have difficulty with the notion that problem gamblers, by definition, persons who gamble beyond their means, derive any benefit from a level of spending which impacts adversely on the persons directly affected and their families and indirectly on the community in general.

- 71 Because the quantification of consumer surplus in gambling presents difficulties both conceptually and in practical terms, the estimates have to be viewed with caution. The Authority is faced with the inherent uncertainty of forecasts based on assumptions from different standpoints. The extent to which the divergence of views produces incompatible outcomes begs the question of the reasonableness of the assumptions. The difficulty in answering that question in the context of impact on wellbeing is apparent because of the elusiveness of the concept of measuring a person's happiness, health and prosperity-wellbeing. The exercise is a fertile field for value judgements because outcomes are determined by the assumptions. In our view neither the welfare economics approach of Mr Rae nor the model of Dr Doughney provides the answer to the impacts of gaming machine gambling. One exaggerates the benefits the other ignores the benefits.
- 72 By relying especially on the assumption that nearly 80% of the gaming expenditure to be generated at the proposed venue will be diverted from other venues either in Hume or adjoining municipalities, Mr Rae opined that increased accessibility of gaming machines was unlikely to increase the social costs of gambling in the City of Hume. The Productivity Commission rejected a similar submission and concluded that overall there is significant evidence from many different sources to suggest a significant connection between greater accessibility particularly to gaming machines and the greater prevalence of problem gambling:8.1. In this context the disbenefit of increased accessibility will impinge upon the assumptions of the benefit of reduced travel costs for local residents attending a closer venue.
- 73 Turning to the diversionary expenditure or cannibalisation argument the applicant, through Mr Buckingham, produced at the hearing

figures of gaming machine expenditure from the seven Tattersall's venues nearest the Sands Hotel for eight weeks before and after the Sands Hotel opened on 9 December 1999. At the request of the Authority during the hearing, Mr Buckingham also produced the figures for fifty-one weeks before and after the opening of that venue. The financial data is not disclosed here as it was received on a confidential basis.

- 74 Following the hearing, Mr Buckingham's figures were checked against data supplied to the Authority by Tattersall's from time to time (as it is required to do). Because there were discrepancies between the two sets of figures the Authority wrote to the applicant's solicitors on 24 May 2001 detailing the comparisons. The letter stated that while the applicant's "before" and "after" comparisons revealed a reduction in net cash balance for both the eight and fifty-one week periods, the Authority data revealed an increase for both periods.
- 75 The letter acknowledged that there may be some minor variances due to timing differences and invited an explanation of the large discrepancies between the financial data held by the Authority and that tendered in evidence.
- 76 In a reply by letter dated 15 June 2001, the applicant accepted the Authority figures subject to a minor adjustment, however later in the letter queried the Authority data for the "after" fifty-one week period. The applicant asserted that its estimates of transferred expenditure remain intact.
- 77 The Sands Hotel analysis is of limited value. First as a general observation, one example in one local government area is not conclusive of what may happen in another. Each application is quite unique and the factors that interacted with the opening of one venue

may not necessarily apply in the other applications. Second, in the figures tendered through Mr Buckingham a 9% (approximate State average growth of net gaming machine expenditure) was factored in for the seven venues used in the analysis. In the fifty-one week figures, two venues experienced growth above 9%, one grew by the expected 9% and four did not meet that predicted growth rate. Three of the seven venue revenues in the example behaved in a manner opposite to the applicant's expectation and argument. This level of volatility brings the use of the example into question as a predictive or even indicative model. Third, the use of a 9% growth figure in the applicant's analysis for the seven venues is questionable because while that rate of growth was achieved in the financial year 1998-99, data supplied by Tattersall's reveal a significantly lesser rate of growth in the two financial years before 1998-99. The seven venues' revenue before the Sands Hotel opened and for the equivalent "after" period (see attachment to applicant's letter 15 June 2001) reveals growth within those previous years' fluctuations. We are not saying that diversionary expenditure does not occur or that it is not likely to occur with the opening of a new venue; only that the material does not enable us to infer that the estimates of the extent of diversionary expenditure for the purposes of the present application are well founded. For a reasonable inference to be drawn much more needs to be provided for examination.

- 78 Another issue raised by the applicant was the financial viability of the proposed complex. The applicant submitted evidence from Mr Close of market yields from recent hotel sales, together with a twelve month trading forecast of the proposed hotel with and without gaming machines. In essence, the forecast contribution to gross profit by eighty gaming machines (50.6%) meant the development met the desired hurdle rate (15-17%) of return on business net profit

acceptable to the investment market for a hotel and gaming facility while the trading forecast without gaming machines did not.

- 79 We are aware that the absence or presence of gaming machines is a factor that will affect investment decisions in venues. Investment choices regarding gaming machines, with their attendant risks and rewards are made within the framework of the *Gaming Machine Control Act* 1991 which imposes constraints on the numbers and distribution of gaming machines. The role of the Authority is to consider the economic and social impact on the wellbeing of the community in the municipality where the gaming machines are sought to be placed. The Authority has no mandate or function to guarantee or maximise the viability or profitability of a hotel or club development, whether the gaming machines are sought for a new facility or increases those already permitted. In short, commercial decisions that may be made as a result of an Authority decision, whether to invest, reconfigure or abandon a project are the business of the applicant.
- 80 It was said for the applicant that the financial viability of the project depends on the Authority granting approval for eighty gaming machines. Indeed, the applicant stated that it was ‘all or nothing,’ that is, unless eighty gaming machines were approved for this development, it may as well be none as the development would not proceed with fewer than eighty gaming machines. If we were to take that into account it would mean that the applicant’s commercial judgement is elevated to a relevant consideration; one which may not necessarily coincide with the wellbeing of the community.
- 81 We should add that the merits of a hotel in the area is not in issue nor is the experience of the applicant as the operator of a hotel complex. Although gaming machines are permitted only in hotels or clubs, the

question is not the impact that a hotel will have but the associated gaming machines. Mr Rodda's evidence was, in substance, directed from a town planning perspective to the suitability of the hotel complex to the locality. It was his evidence that the proposed hotel development was appropriate to the locality primarily because of recent and expected population growth and the absence of a comparable convenient facility of that nature. The appropriateness of a hotel in the community was not in dispute or in issue; we accept there are advantages to local residents that a well run local hotel can provide, consequently this evidence did not take the matter any further.

- 82 The applicant also submitted that extra 'voluntary' gambling taxes from the additional gaming machines, should be seen as a community benefit because of the additional public services and funding through the Community Support Fund that would be provided.
- 83 An increase in gaming machines will, on past experience involve an increase in tax collection in the City of Hume but whether this infers a benefit to the community of Hume is another question. Research has shown that while patterns of gambling expenditure were similar across all income groups, a more significant impact is experienced by persons in low income groups, when the effects of taxation are taken into account, resulting in taxation of gaming machines being highly regressive: VCGA Summary of Findings 1996-97 Research Program. We note, in passing that gambling taxes are no more voluntary than taxation paid on a wide range of goods and services (eg. the GST on a cinema ticket). Furthermore, there appears to be no direct link between additional gambling tax generated, whether or not it comes from the Community Support Fund, and services or funding to the City of Hume. The Community Support Fund has contributed \$3.9



million in grants to the City of Hume. Of this \$3.55 million is for two global learning villages, one in Broadmeadows the other in Meadow Heights to ‘allow disadvantaged local communities to access information and technology’ (Ex A6).

84 In February 2001 the Minister for Gaming determined that gaming machine numbers were to be capped in five regions in Victoria, three metropolitan and two regional. The three metropolitan regions are each a composite of regions consisting of a local government area and adjoining postcode areas. One region, “Darebin Plus” comprises the City of Darebin municipal district and five adjoining postcode areas. One of the postcodes, 3061 is the suburb of Campbellfield in the City of Hume. As a consequence of the inclusion of postcode 3061 in Darebin Plus the boundary of the capped region at the intersection of Somerton Road and the Upfield railway line is approximately 600 metres from (Melway Map 179/180) the proposed hotel. It is necessary to give consideration to the capped region because of its proximity to the proposed hotel and because part of the region is included in the City of Hume.

85 As at 30 June 2000, there were one thousand five hundred and fifty-four gaming machines in Darebin Plus (the second highest aggregate number of machines in the five capped regions) but on a per thousand adult basis, applying the Minister’s criterion to determine maximum machine numbers, resulted in a density number of 9.1 machines per thousand adults. The criterion for determining maximum gaming machine numbers in capped regions is the lower of:

- the ninth decile of gaming machine density by local government area as at 30 June 2000, or
- the number of gaming machines per 1000 adults in the region as at 30 June 2000.

In the four other regions, applying the Minister's criterion the lower number was a density of 11.7.

- 86 The imposition of regional caps reflects a government policy which identified, on the basis of gaming machine density, expenditure and socio-economic status, those communities regarded as vulnerable to the harm gaming machines may cause.
- 87 Gaming machine density in a capped region is not the yardstick by which applications for gaming machines outside capped regions are necessarily measured to determine their success or failure. To do otherwise would be to reduce the process to a mathematical exercise. Just as it is not a number above which an application would necessarily fail, conversely it is not one below which an application would necessarily succeed. In determining the net impacts, each application, must be considered on its own particulars facts and circumstances, including the demographics of the municipality and other relevant indicators.
- 88 Mr Rantino drew attention to the proximity of the Darebin Plus region to the proposed venue and invited the Authority to compare gaming machine density, average player loss per adult per year and socio-economic disadvantage between the Darebin Plus region and the City of Hume.
- 89 The applicant sought to draw comfort from the fact that the site of the proposed development was not included in the Darebin Plus region. It was said that it would have been a simple matter to extend the area of Hume within the Darebin Plus region to include the subject land. At the time the cap regions were determined the subject proposal was well known. It was submitted that the logical inference to be drawn is

that the government did not wish this proposal to be affected by any regional cap.

- 90 There is nothing before us to indicate that the area of Hume included in the Darebin Plus cap region was determined with one eye on the proposed development. The whole of postcode area 3061 in the City of Hume is included in Darebin Plus and the boundary of that region follows the postcode boundary consistent with the practice regarding the other postcodes included in the region.
- 91 Unless there is a general resemblance between areas, comparisons of gaming machine density between a capped region and another municipality may be misleading. In terms of socio economic disadvantage the City of Hume has a SEIFA score of 976.39 and Darebin 944.36 which puts both municipalities in the lowest 25% of metropolitan municipalities.
- 92 As mentioned earlier the tables in paragraph 24 were prepared on the basis of an increase of seventy extra gaming machines but did not take into account the one hundred and five machines approved for the Broadmeadows Town Hall venue. Taking into account the approval for one hundred and five machines at the Town Hall venue, the City of Hume has a gaming machine density of 9.5 per thousand adults without the seventy extra machines sought in this application. This would exceed the metropolitan municipal average of 7.6 gaming machines per thousand adults and place Hume seventh highest of metropolitan municipalities in terms of gaming machine density per thousand adults.
- 93 This does not suggest to us that Hume is under-serviced by gaming machines regardless of their distribution within the municipality or of an increase in population in the short to medium term which will to

some extent dilute the density ratios of machines to population. We see no necessity to consider long term population forecasts given that venue approvals are issued for five years at a time and that venue operators are subject to contractual arrangements for gaming machines with either Tattersall's or Tabcorp.

- 94 Population growth in itself does not determine the matter. A snapshot of the City of Hume population reveals a population predominantly with the expenditures of growing families. Hume City is regarded as a 'young' municipality with a high proportion of young families. It has a higher proportion of young persons 18 years and younger (31.7%) than the Melbourne Metropolitan area (24.3%). Hume City is a culturally diverse population, 35% of its residents speak a language other than English. In the Roxburgh Park catchment area referred to earlier the proportion of young persons is 35.1% and 53.7% of the population speak a language other than English. A characteristic of the area is the significant Turkish, Italian, Arabic and Vietnamese communities. There are relatively large number of young families and a high number of home purchaser "mortgage belt" families.
- 95 We note also that for the March quarter 2001 the City of Hume recorded an unemployment rate of 8.16% against a Melbourne metropolitan average of 6.6% (source Department of Employment Workplace Relations and Small Business (C'th) – small area labour markets Australia).
- 96 Having considered all of the evidence and submissions in this matter and mindful of the object and purpose of the Act, we are not satisfied that in the circumstances of this application the net economic and social impact of approval will not be detrimental to the wellbeing of the community of the City of Hume. The application is therefore refused.

***I certify that the 96 preceding paragraphs are a true copy of the reasons for decision herein of:-***

***Mr B. Forrest, Chairman***

***Mrs U. Gold, Member***

***Dr D. Hore Member***

***Signed: \_\_\_\_\_***  
***Executive Assistant***

***Date of Hearing:*** 26, 27 April and 4 May 2001

***Date of receipt of final submission:*** 15 June 2001

***Date of Decision:*** 3 July 2001

***Counsel for the Applicant:*** Mr S. Morris QC and Mr N. Tweedie

***Solicitors for the Applicant:*** Williams Winter & Higgs

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