

ELECTRONIC GAMING MACHINE
APPLICATION - ELLINBANK FOOTBALL &
NETBALL CLUB - NEWMASON COMPLEX

Social and Economic Impact
Assessment



Prepared for Baw Baw Shire Council

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Quality Assurance

Report Contacts

Michael Ballock

Associate

BA(Hons), MA, GRAD DIP (Urban & Regional Planning), MPIA, MVPELA, MIPWEA, GAICD

Michael.ballock@hillpda.com

William Tzaikos

Consultant

BEnv, BDesArch(Hons)

William.Tzaikos@hillpda.com

Supervisor

Alex Hrelja

Principal, HillPDA Melbourne

BPD (Hons), MUP, MBus (Property)

Alex.Hrelja@hillpda.com

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Executive Summary

The Ellinbank Football and Netball Club (FNC) has applied to change the existing liquor licence at 25 Mason Street, Warragul to a Full Club Licence, to alter the red line area and install 52 Electronic Gaming Machines (EGMs) with associated buildings and works. The subject site is known as the Newmason.

The applicant estimates that the 52 new EGMs will generate revenue in the order of \$3.418 million of which \$553,000 will be net new expenditure from the venue with 84% (\$2.871 million) of the revenue transferred from other venues.

Warragul has a significant concentration of EGMs within the township and approval of this application would continue this concentration. Accessibility of gambling is a significant risk factor for problem gambling and greater expenditure at gaming venues is associated with an increased risk of problem gambling in the local area.

The site is surrounded by significant areas of disadvantage as well as substantial areas of social housing. In addition, there are a number of services nearby that provide medical, housing and employment assistance to lower socioeconomic groups within the community and help for people experiencing problems with gambling.

The main benefits associated with the application are an annual community contribution, a community bus and improvements to the applicant's sporting facilities. However, there is little detail provided about how the community contribution will be managed or distributed and how the community bus will be used.

The main disbenefits associated with the application are the further concentration of EGMs in Warragul and the likely increase in problem gamblers as well as the impact on other venues.

This social and economic impact assessment concludes that the proposed EGM venue is likely to lead to a net economic and social detriment to the community surrounding the venue and the application can be deemed to fail the 'no net detriment' test.

INTRODUCTION

1.0 INTRODUCTION

HillPDA has been engaged by Baw Baw Shire Council to prepare a Social and Economic Impact Assessment (SEIA) to accompany a submission to the Victorian Commission for Gambling and Liquor Regulation (VCGLR) in regard to a permit application for the Newmason site to change the existing licence to a Full Club Licence, alter the red line area and install 52 EGMs with associated buildings and works. The subject site is located at 25 Mason Street, Warragul. Warragul in the Baw Baw Shire, approximately 106 kilometres south east of Melbourne (Figure 1)

Figure 1: Figure location of Warragul and Baw Baw Shire



This is an independent assessment commissioned by Baw Baw Shire Council.

This SEIA aims to identify both potential positive and negative social and economic impacts associated with the proposed development.¹

Requirements under the Gambling Regulation Act 2003

Section 3.4.20(1)(c) of the Gambling Regulation Act 2003 provides for what is the ‘no net detriment’ test. It requires the VCGLR to be satisfied that there is no net detriment arising from the approval of the proposal by

¹ While there are no guidelines for SEIA production in Victoria or Baw Baw Shire Council, this SEIA is based upon the International Association for Impact Assessment’s International Principles for Social Impact Assessment and Guidance, as well as the New South Wales Government’s Independent Liquor and Gaming Authority’s Local Impact Assessment Process Guidelines.

positively and objectively establishing that the net economic and social impact will not be detrimental to the well-being of the community.

As such, the 'no net detriment' test is a composite test requiring consideration of a single net impact in economic and social terms on the well-being of the community. The test will be satisfied if, following the weighing of any likely impacts, the Commission is satisfied that the net economic and social impacts of approval on the well-being of the relevant community will be either neutral or positive.

1.1 The subject site and surrounds

The subject site is located at 25 Mason Street, Warragul, within the Baw Baw Shire Local Government Area. The Newmason Club is attached to the Mercure Motel, with internal access available through the foyer and lounge area. The subject site is around 2,840sqm and includes the motel and car parking in the rear.

The site is located 200m north of the Warragul Train Station which connects the town to Melbourne, Traralgon and Bairnsdale. Situated 200m east of the CBD precinct of Warragul, the Newmason borders the Mercure Motel to the south and a radiographer and community health centre to the north. Across the road to the east there are several small businesses in a single-storey retail building, including an Indian restaurant, an IT company and a politician's office. On the Southern corner of Mason and Williams Street is a single storey commercial building home to community support services and non-profits.

The Newmason has a 20m frontage to Mason Street.

Transport

There is a bus stop on Mason Street for the number 81, 82, 83 and 85 buses. These connect the site to Warragul Station, Warragul North and Drouin Station. Buses run every 20-30 minutes during off-peak and every 5-10 minutes during peak hours.

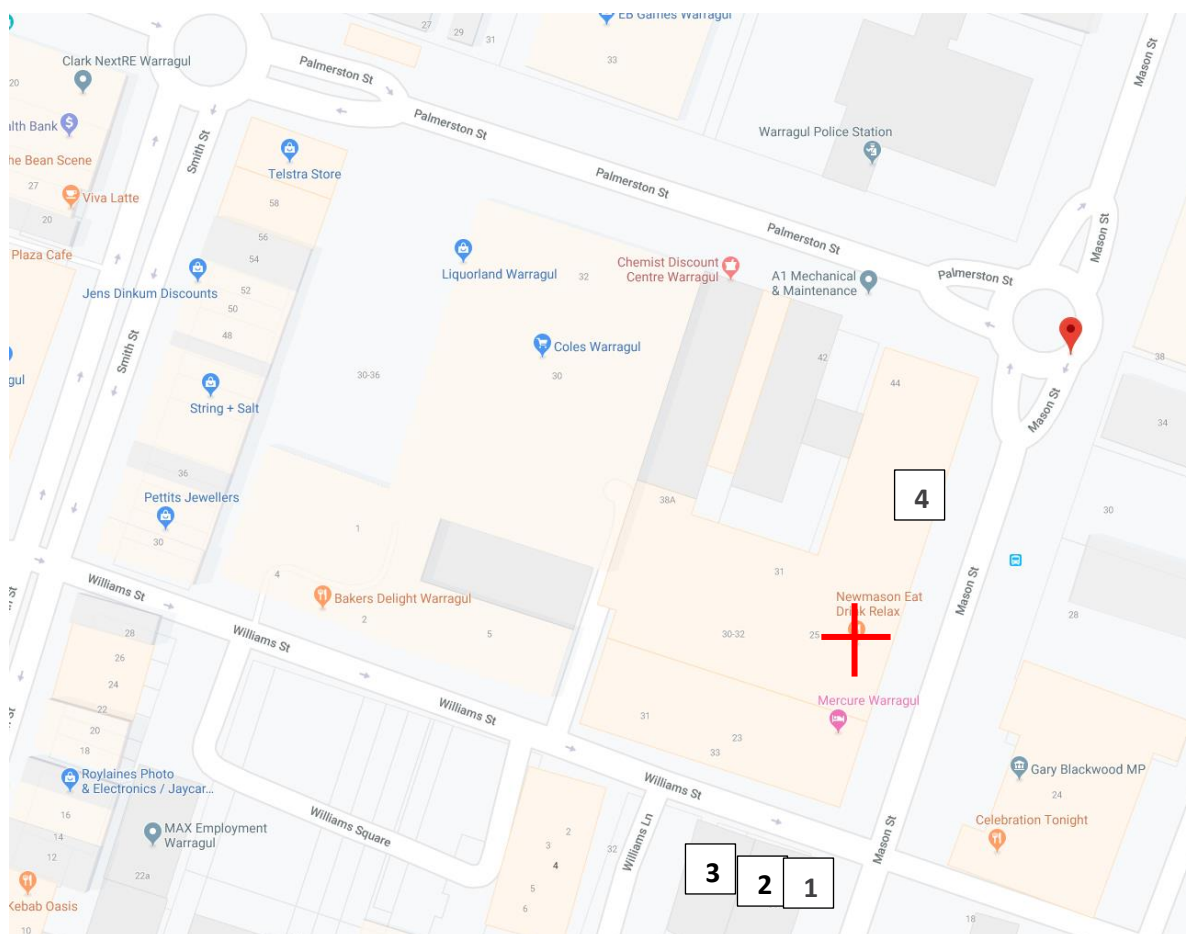
Trains run between Melbourne and Traralgon and Melbourne and Bairnsdale. Along this line the trains run at 30 minute to 2 hour frequencies. They have a typical capacity of between 60 to 100% during peak hours and the busiest points are Pakenham and Dandenong.

There is free 2-hour on-street parking along Mason Street. There is off-street customer car parking around the area.

Social infrastructure

The subject site is located in between a number of significant services providers to vulnerable members of the community. The Latrobe Community Health Service (LCHS) is located immediately to the north of the subject site. Quantum Support Services, SalvoCare and Konect Employment are located to the south of the subject site opposite the Mecure on Williams Street.

The following description outlines the services provided in each facility and the numbers refer to the location on the map. The red cross is the subject site.



Quantum Support Services (1)

Quantum Support Services Inc. is an independent not-for-profit organisation that provides a wide range of services to those most vulnerable in the Gippsland community across five key areas:

- Housing, tenant advocacy, and homelessness
- Family violence
- Community Strengthening
- Foster Care
- Youth work

SalvoCare (2)

SalvoCare Social Housing provides housing referral for people experiencing homelessness.

Konect Employment (3)

Provides employment services and employment programs including

- Jobactive assists eligible clients to find and keep a job, and helps employers find staff with the right skills for their business.
- The New Enterprise Incentive Scheme (NEIS) Program provides clients that have a good business idea with training and business mentoring to help them start their own business. Income support is also provided to eligible clients.
- Disability Employment Services supports people with an illness, injury or disability to find work that suits their circumstances

Latrobe Community Health Service (4)

The Latrobe Community Health Service vision includes the following statement:

Latrobe Community Health Service is one of Australia's fastest growing health services. We're here to support healthier individuals, families and communities. We are committed to preventing health problems through information and awareness. We are also committed to providing coordinated services that treat our clients as a whole person, and not as a series of isolated medical problems.

We have a reputation for quality care across a wide range of health services. Our services include community-based health promotion programs, daily living and rehabilitation assistance, health checks and healthcare plans, medical care and nursing. Some of our services are free. For others we charge a fee based on the client's ability to pay.

We are particularly committed to helping the people who need us most, especially those with several health problems and high support needs.

The LCHS provides the following services:

- General Health
- Gambling, alcohol and drug support services
- Diabetes and chronic disease management
- Aged, disability and carers
- Community
- Support for children and families
- Allied health

Residential

There are residential areas of single detached dwellings located 250m to the north and east of the subject site. There are seven residences in the upper levels of the Mercure Motel building. The Newmason is part of this building. The address of these residences is 35 Williams Street.

Commercial

There is some office space in the Warragul CBD, however the southern and western area is predominantly retail. Nearby businesses include hairdressers, restaurants, massage parlours, accountants, health centres, chemists and op shops. On the same block as Newmason to the west, there is Coles Warragul, an anchor tenant in a two-storey building accompanied by shops and a café. Coles Warragul is one of two large format supermarkets in the area and caters for walk-in customers as well as park-and-shop retail. With the Coles as an anchor tenant and other retail offerings, there is a low to moderate amount of foot traffic expected along Williams Street and Mason Street.

At the southern end of Mason Street is the TAFE Gippsland and the Warragul Station. The TAFE Gippsland Warragul Campus conducts classes between 8:00am and 10:00pm from Monday to Friday. In 2018 there were 878 enrolments at the Warragul TAFE, down from 1,151 in 2017. The TAFE offers courses for school-aged students as well as courses for all ages.

Future development

The area to the east of Mason Street is a mixture of recent commercial development, older industrial buildings and vacant land. Council is encouraging the redevelopment of this land. This is discussed in more detail in Section 2.0.

1.2 The proposal

The applicant has outlined the proposal as follows:

The Ellinbank FNC are proposing to take over the lease at the Newmason and become the venue operators. The Ellinbank FNC are seeking to make changes at the venue, including the transforming the venue to a Club and establishing a gaming room.

Specifically, this application for a new permit seeks permission for the following:

- Change the type of licence from a General Licence to a Club Licence;
- Permit the installation and use of 52 EGMs in the venue;
- Carry out minor buildings and works to the venue to provide a gaming lounge and an alfresco area; and
- Amend the licensed area.

2.0 PLANNING AND POLICY CONTEXT

The planning and policy context is contained in a number of state and local government documents including the following:

- Gippsland Regional Growth Plan
- Warragul Precinct Structure Plan (Amendment C108)
- Warragul Development Contributions Plan (Amendment GC75)
- Warragul Town Centre Strategy
 - Urban Design Framework
 - Station Precinct Master Plan
 - Town Centre Master Plan
- Baw Baw Planning Scheme – VPP Clause 52.28
- Integrated Municipal Public Health and Wellbeing Plan and Health Promotion Funded Agencies Health Promotion Plan 2017-2021
- Baw Baw Shire Council Responsible Gaming Policy
- Youth Strategy 2018-2022

These policies are summarised in detail in Appendix A.

The Gippsland Regional Growth Plan designates Warragul as the regional centre for the western part of Gippsland. It anticipates that increased local job opportunities will reduce reliance on commuter travel to employment locations in the metropolitan area and designates future urban growth for land release areas to the north and south of suburban Warragul.

The Warragul Precinct Structure Plan (PSP) reinforces the regional growth plan by planning to accommodate 12,500 new dwellings and provision of a number of community facilities including three sports reserves with senior ovals, soccer pitches and associated facilities. The PSP is supported by the Warragul Development Contributions Plan which will provide funding for these community facilities and sports reserves.

The PSP also plans for the long-term redevelopment and expansion of Warragul Town Centre to significantly increase the existing services and employment opportunities for the growing population. A significant proportion of the expansion of the Warragul Town Centre includes the land to the east of the current Warragul CBD and the subject site.

Building on the PSP the Warragul Town Centre Strategy provides a 30-year vision for the growth and development of the centre. The plan provides guidance for additional development for a growing population, improved pedestrian access and public infrastructure and services. Similar to the PSP the plan provides for the expansion to the east of Mason Street where the subject site is located (Figure 2). On completion of this plan the subject site would be located in an area of key retail and commercial uses.

One of the five key areas in the Council's Integrated Municipal Public Health and Wellbeing Plan is to reduce harm from gambling, tobacco, alcohol and other drugs. In addition, the Council's adopted gaming policy acknowledges that gambling is a legitimate and significant industry and seeks to reduce the incidence of problem gambling by, amongst other things, discouraging new gaming machines in disadvantaged areas. The policy also supports a policy cap of 299 machines in the municipality.

Figure 2: Warragul Town Centre Urban Design Framework



Clause 52.28 of the Baw Baw planning scheme prohibits the installation of gaming machines in strip shopping centres. The clause defines a strip centre as one meeting all of the following requirements:

- it is zoned for commercial use;
- it consists of at least two separate buildings on at least two separate and adjoining lots;
- it is an area in which a significant proportion of the buildings are shops;
- it is an area in which a significant proportion of the lots about a road accessible to the public generally;

The subject site and the surrounding area are in a Commercial 1 Zone. Virtually all buildings are on separate and adjoining lots. There is a small number of shops in Mason Street. However, the area bound by Mason Palmerston, Smith and William Streets is predominantly retail and includes a Coles supermarket. All lots about a road generally accessible to the public.

3.0 DEMOGRAPHIC PROFILE

A demographic profile provides some insight into the population of an area. However, depending on the area chosen the results can show considerable variation.

Figure 3: Population enumeration areas

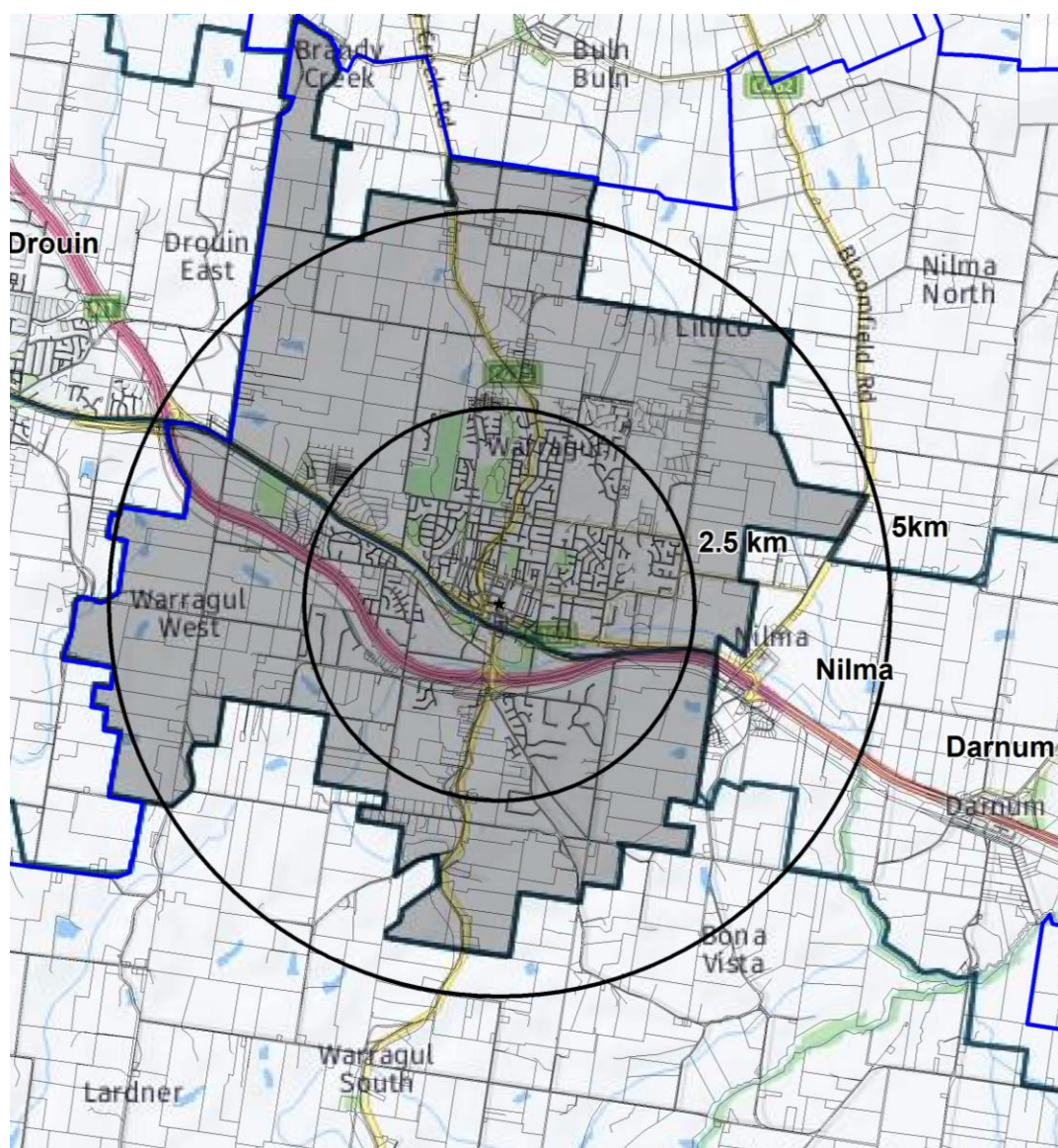


Figure 2 shows the following enumeration areas

- A 2.5 and 5 kilometre catchment (thick black line)
- The area defined by id.consulting (grey shaded)
- The Census SA2 boundary (thick blue line)

The id.consulting approximates the Warragul PSP area and includes most of the urban area within and surrounding Warragul. As such it provides an appropriate enumeration area from which to develop a demographic profile for Warragul. In addition the id.consulting has prepared a detailed analysis of the existing

population as well as population projections to 2041. For these reasons the id.consulting definition of Warragul will be used as the basis for this demographic profile.

The Warragul population is expected to grow from 16,430 in 2019 to 27,023

Table 1: Demographic snapshot of Warragul 2016

| Demographic profile | number | % | Latrobe Gippsland SA4 |
|--|--------|-------|-----------------------|
| Population Summary | | | |
| Total population | 15,760 | 100.0 | 100.0 |
| Males | 7,480 | 47.5 | 49.1 |
| Females | 8,273 | 52.5 | 50.9 |
| Total dwellings | 6,850 | 100.0 | 100.0 |
| Needs assistance due to age or disability | 959 | 6.1 | 6.3 |
| Age Structure | | | |
| Babies and pre-schoolers (0 to 4) | 923 | 5.9 | 5.6 |
| Primary schoolers (5 to 11) | 1,411 | 9.0 | 8.5 |
| Secondary schoolers (12 to 17) | 1,200 | 7.6 | 7.1 |
| Tertiary education/independence (18 to 24) | 1,288 | 8.2 | 7.1 |
| Young workforce (25 to 34) | 1,789 | 11.4 | 10.5 |
| Parents and homebuilders (35 to 49) | 2,799 | 17.8 | 17.2 |
| Older workers & pre-retirees (50 to 59) | 2,056 | 13.0 | 14.3 |
| Empty nesters and retirees (60 to 69) | 1,950 | 12.4 | 14.9 |
| Seniors (70 to 84) | 1,920 | 12.2 | 12.3 |
| Frail aged (85 and over) | 421 | 2.7 | 2.7 |
| Household Types | | | |
| Couples with children | 1,648 | 26.5 | 23.5 |
| Couples without children | 1,756 | 28.3 | 28.4 |
| One parent families | 678 | 10.9 | 10.0 |
| Lone person households | 1,618 | 26.0 | 27.7 |
| Group households | 139 | 2.2 | 2.3 |
| Labour Force | | | |
| Employed | 6,902 | 94.4 | 93.1 |
| Unemployed | 413 | 5.6 | 6.9 |
| Total labour force | 7,315 | 56.8 | 53.1 |
| Not in the labour force | 4,725 | 36.7 | 38.9 |
| Housing Tenure | | | |
| Owned | 2,262 | 36.4 | 37.7 |
| Purchasing | 2,044 | 32.9 | 30.6 |
| Renting | 1,399 | 22.5 | 22.1 |
| Household Income | | | |

| | | | |
|-----------------------------------|-------|------|------|
| Less than \$650 (low) | 1,269 | 21.3 | 24.8 |
| \$650 to \$1,449 (lower middle) | 1,975 | 33.2 | 34.5 |
| \$1,449 to \$2,499 (upper middle) | 1,225 | 20.6 | 18.4 |
| \$2,500 or more (high) | 899 | 15.1 | 11.4 |

Source: id.consulting and Census 2016

Comparing Warragul to the broader Latrobe Gippsland (SA4) region the following differences can be observed:

Warragul has a higher proportion of females than the Latrobe Gippsland region and conversely a smaller proportion of males. It also has less people needing assistance.

With respect to the age structure Warragul has:

- a *larger* percentage of 'Tertiary education & independence' (8.2% compared to 7.1%);
- a *larger* percentage of 'Young workforce' (11.4% compared to 10.5%);
- a *smaller* percentage of 'Empty nesters and retirees' (12.6% compared to 14.9%); and
- a *smaller* percentage of 'Older workers & pre-retirees' (13.0% compared to 14.3%).

From 2011 to 2016, Warragul's population increased by 1,820 people (13.1%). This represents an average annual population change of 2.49% per year over the period.

The largest changes in the age structure in this area between 2011 and 2016 were in the age groups:

- seniors (70 to 84) (+517 people);
- empty nesters and retirees (60 to 69) (+442 people);
- older workers and pre-retirees (50 to 59) (+260 people); and
- young workforce (25 to 34) (+247 people).

Household types:

- a higher proportion of couple families with child(ren); and
- a higher proportion of one-parent families.

Employment:

- 94.3% of the labour force was employed (0.0% of the population aged 15+), and 5.7% unemployed (0.0% of the population aged 15+), compared with 93.1% and 6.9% respectively for Latrobe - Gippsland.

Housing tenure:

- a smaller proportion of households who owned their dwelling; and
- a larger proportion purchasing their dwelling; and a similar proportion who were renters.
- .

Household income:

- a *larger* percentage of households who earned \$2,000 - \$2,499 (9.7% compared to 7.9%);
- a *larger* percentage of households who earned \$2,500 - \$2,999 (5.6% compared to 4.3%);
- a *smaller* percentage of households who earned \$400 - \$499 (8.4% compared to 9.6%); and
- a *smaller* percentage of households who earned Not stated (9.7% compared to 10.8%).

A demographic profile of Warragul as defined by the 2016 Census SA2 is summarized in Appendix B

4.0 REVIEW OF PROBLEM GAMBLING

Research into the impacts of problem gambling in Victoria generally indicates that EGM expenditure (loss) can have negative social and economic impacts to gamblers, communities and the wider economy. This topic has been investigated by the Victorian Gambling Research Panel in the late 2000s and the Victorian Responsible Gambling Foundation within the past decade, as well as several universities and independent research institutes across Australia.

The largest research report undertaken about problem gambling in 2008 in Victoria found that of all types of gambling, EGMs had the highest proportion of gamblers who were considered problem gamblers.² Overall trends showed that 53.74% of ‘pokies’ players travelled no more than 5km to their preferred pokies venue.³ Findings also revealed that, compared to non-problem gamblers, problem gamblers were significantly more likely to report high level of clinical alcohol abuse.⁴ Findings also revealed that, compared to non-problem gamblers, problem gamblers reported:

- a slightly higher rate of diabetes (although this was only tending towards significance)
- a significantly higher rate of lung conditions including asthma
- a significantly higher rate of depression
- a significantly higher rate of anxiety disorders
- a significantly higher rate of obesity
- a significantly higher rate of other miscellaneous physical or mental health conditions

Overall, problem gamblers who used EGMs represented the largest group within total problem gamblers, indicating that EGMs are strongly associated with problem gambling.⁵ The degree to which said social and economic issues are attributable to the expenditure (loss) from using EGMs is examined as gambling related harm. Recent research undertaken by the Victorian Responsible Gambling Foundation has identified gambling related harm into six groups:

- Decrements to the person’s health, both morbidity and mortality.
- Emotional or psychological distress.
- Financial difficulties, diverted financial resources, bankruptcy or reduction of financial situation.
- Reduced performance / loss of role at employment or study.
- Relationship conflict or breakdown.
- Criminal activity and neglect of responsibilities, including the consequences of such actions.

A discussion of that research into gambling related harm is outlined as follows:

‘At a population level, aggregate harms accruing to non-problem gamblers exceed those occurring to problem gamblers by about 6–1. Demographic groups such as females aged 55+, while less likely individually to develop clinically significant gambling problems, nevertheless contribute substantially to the ‘burden of harm’ experienced by Victorians. Comparisons with other health conditions suggest that gambling problems are a social issue on a similar order of magnitude to major depressive disorder and alcohol misuse and dependence. Both qualitative and quantitative results suggest that this burden of harm is primarily due to damage to relationships, emotional/psychological distress, health, and financial impacts. For policymakers and regulators,

² A study of gambling in Victoria - Problem gambling from a public health perspective, Department of Justice, Victoria, 2009, p. 13

³ Ibid. p. 15

⁴ Ibid. p. 17

⁵ Ibid.

we conclude that there should be a broadening of focus from the prevention of “problem gambling” to the lessening of gambling problems, which are distributed across a broad section of the Victorian community.”⁶

The literature suggests that gambling related harm results from gambling expenditure (loss) from a range of demographic groups, of which problem gambling is the most severe. Recent research identifies demographic groups that are vulnerable to gambling related harm. The Victorian Responsible Gambling Foundation itemizes the environmental, geographic, social, cultural, demographic, socio-economic, family and household risk factors for problem gambling. In 2015 the Victorian Responsible Gambling Foundation released a report on risk factors for problem gambling, based upon a literature review of 69 Australian and international papers on problem gambling. Findings from this study are as follows:

‘Environmental and geographical

- Accessibility of gambling is a significant risk factor for problem gambling.
- Greater expenditure at gaming venues is associated with an increased risk of problem gambling in the local area.
- There is some evidence that area-level socio-economic disadvantage is a risk factor for problem gambling. This may be independent of the effects of individual-level socio-economic disadvantage.
- A lack of alternative leisure options and other services in the local area may be a risk factor for problem gambling.

Social

- Low levels of social capital may be linked to problem gambling.
- There is some evidence loneliness may be a risk factor for problem gambling.
- Being in the correctional system is a risk factor for problem gambling.

Cultural

- There are inconsistent results about whether being from a culturally and linguistically diverse community is a risk factor, with more Australian studies showing a lower risk for these communities.

Age and gender

- Male gender is consistently associated with increased risk for problem gambling in both Australian and international studies.
- Rates of problem gambling decline with age. Some studies have found that young people aged 18 to 34 are at the most risk of problem gambling among adults but further research is required to confirm this assessment.
- Rates of problem gambling are higher in adolescents than in adults.

Socioeconomic status

- Lower socio-economic status is a risk factor for problem gambling. Some studies have shown lower educational attainment and lower income are associated with higher rates of problem gambling.
- There is some evidence for an association between unemployment and problem gambling, although this may be because problem gambling is known to cause employment problems.
- There is limited evidence that other indicators of socio-economic status, such as lower occupational status, or experience of financial stress, are risk factors for problem gambling.

Occupation

- People employed in gambling venues may be at increased risk of problem gambling.
- There is preliminary evidence that shift work may be a risk factor for problem gambling, however further research is required.

Family and household factors

⁶ Assessing gambling-related harm in Victoria: a public health perspective, Victorian Responsible Gambling Foundation, 2016, p. 3

- Family structure may be a risk for problem gambling, however, results vary as to which types of families are at risk. Further research on this question is required.
- There is some evidence homelessness is linked to problem gambling, although it is not clear whether homelessness is a risk factor for problem gambling or a result of financial difficulties related to problem gambling.⁷

The above findings indicate that there is an observed correlation between socioeconomic disadvantage and instances of problem gambling in Victoria. This is confirmed by research which indicates that areas which are more socioeconomically disadvantaged experience greater per capita losses to EGMs.⁸ Further to this, there are certain demographic groups (males, adolescents, low qualification level) which are considered to be at a higher risk of problem gambling. Following a common protocol in impact assessment for EGM applications, problem gambling resulting from increased EGM expenditure is assessed against relative socioeconomic disadvantage in the following section.

⁷ Background Paper: Risk Factors For Problem Gambling, Victorian Responsible Gambling Foundation, 2015, p. iv

⁸ Modelling Vulnerability to Gambling Related Harm: How Disadvantage Predicts Gambling Losses, Angela C. Rintoul, Charles Livingstone, Andrew P. Mellor, & Damien Jolley, 2013.

5.0 SEIFA ANALYSIS

5.1 SEIFA index and ranking

As identified in Section 4, areas that have greater levels of socioeconomic disadvantage are more vulnerable to problem gambling and gambling related harm. HillPDA has used data from the Australian Bureau of Statistics (ABS) Socioeconomic Index for Areas (SEIFA). Specifically, the Index of Relative Socio-Economic Disadvantage (IRSD) is employed to display only relative disadvantage.

A low score indicates relatively greater disadvantage in general. For example, an area could have a low score if there are (among other things) many households with low income, many people with no qualifications, or many people in low skill occupations.

Figure 4 below shows the IRSD SEIFA index by SA1 for Warragul and Figure 5 transposes these boundaries on an aerial photo. Figure 5 1 shows the SEIFA SA1 areas with population numbers. The figures indicate that the subject site is surrounded by SA1 areas with relatively high levels of socioeconomic disadvantage, and that these areas have populations ranging between 150 and 750. This is indicative of an area with a notable level of socioeconomic disadvantage, and therefore a greater risk of problem gambling.

Figure 4: SEIFA IRSD - Warragul

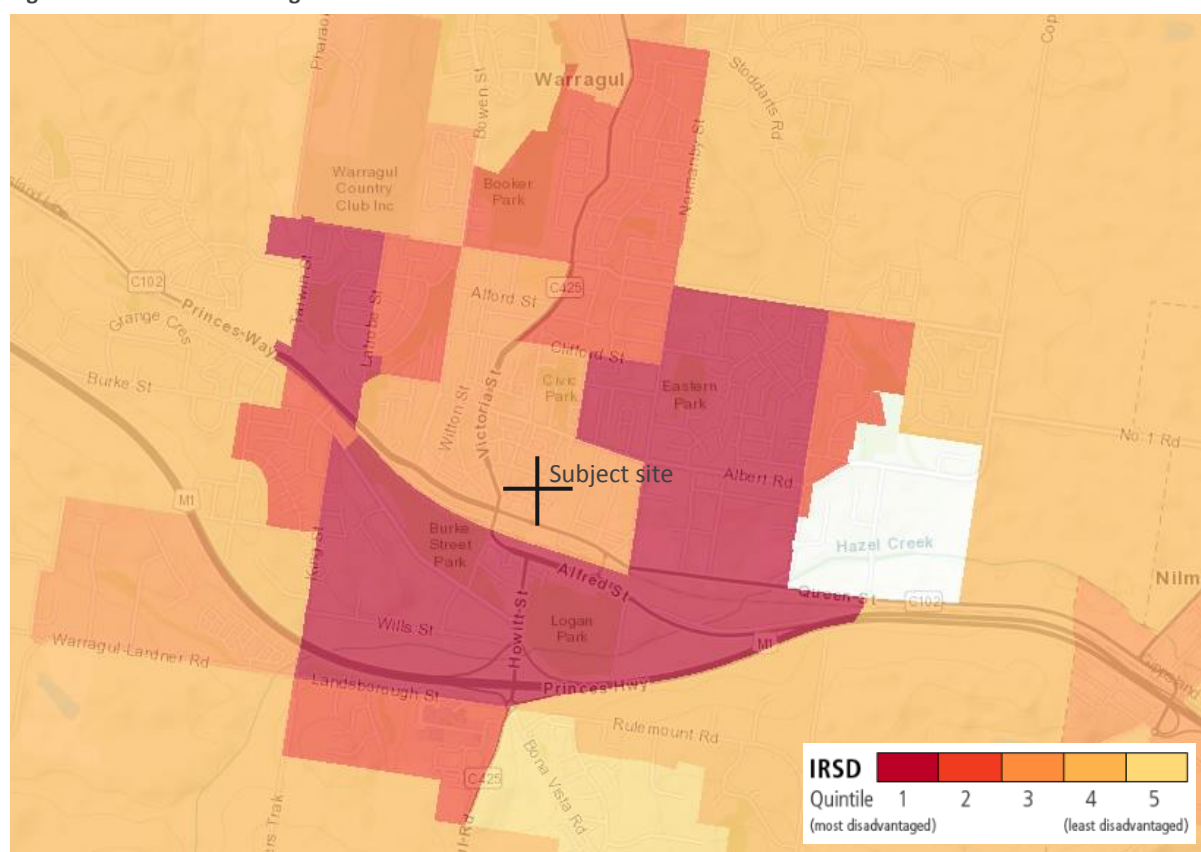


Figure 5: SEFIA SA1 Boundaries - Warragul

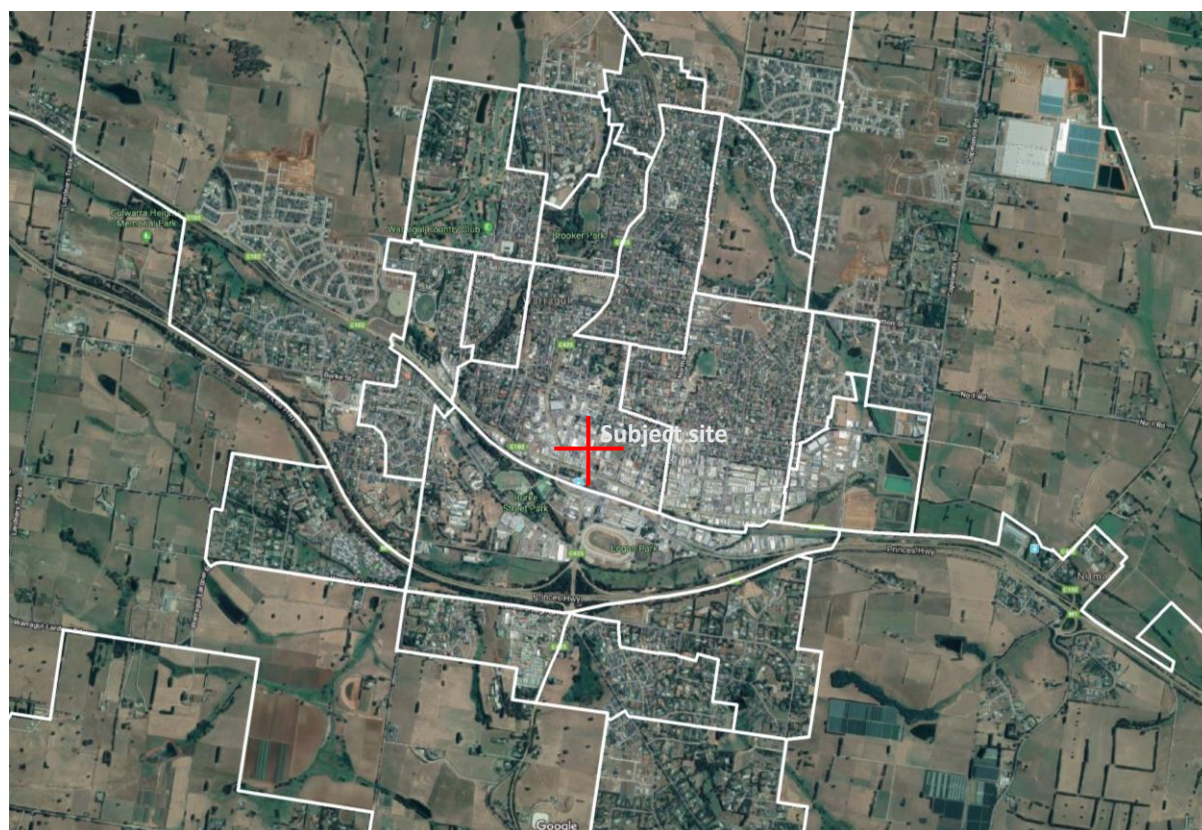
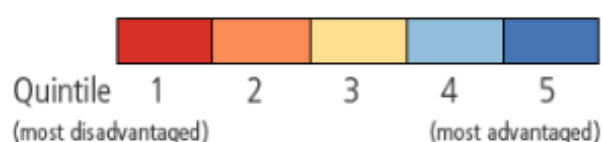
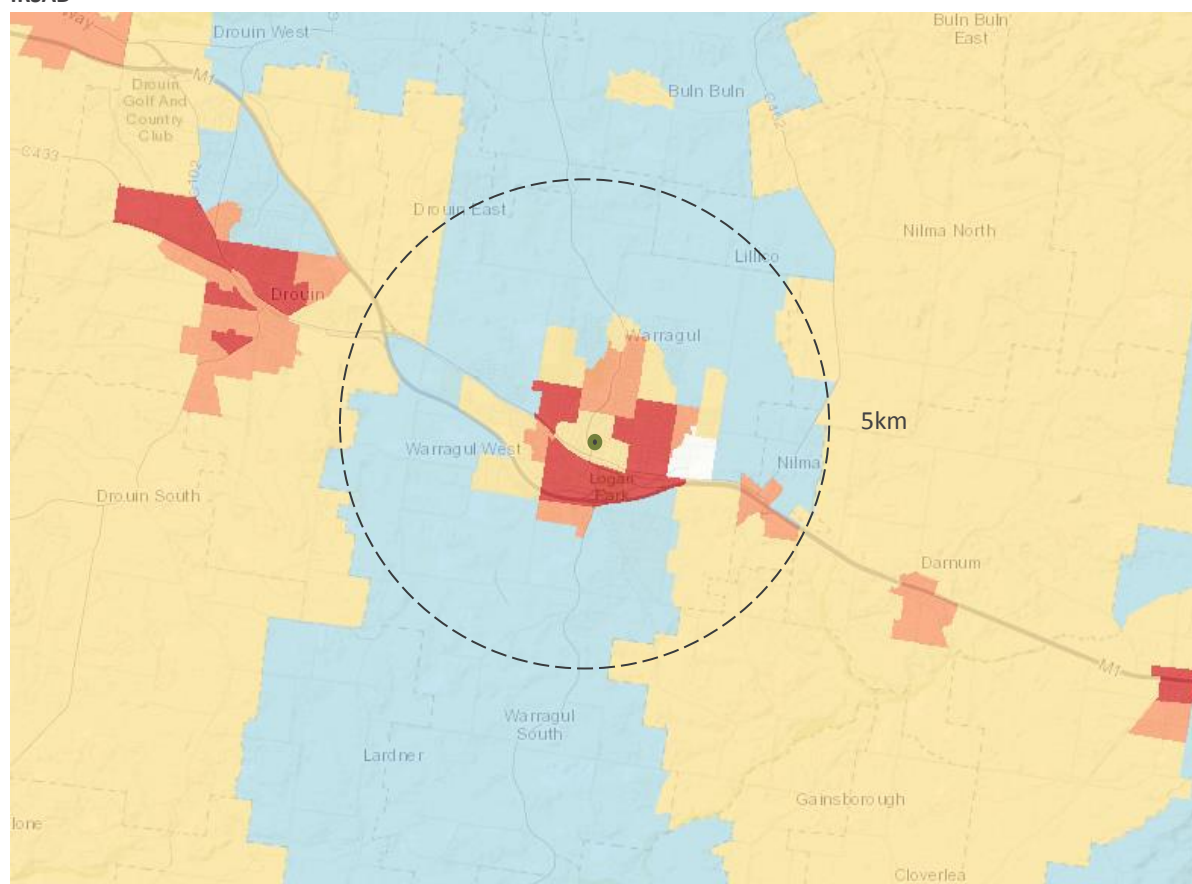


Figure 6: SEIFA IRSAD, IER, IEO - Warragul
IRSAD



The figures above confirm that Warragul has significant areas of relative disadvantage, as well as more disadvantage relating to economic resources and education and occupation. Parts of East Drouin, Nilma and Darrum are located within 5km of the subject site are also areas with low SEIFA scores. These suburbs may fall into the catchment area for EGM patronage and as such, present a risk for problem gambling.

The IRSAD score by SA1 in the Warragul SA2 is seen in Table 2. The table shows that Warragul has some areas that are very relatively disadvantaged. In total, there are 3,128 people in the Warragul SA2 that live in SA1 areas which are in the lowest 20% of SEIFA IRSD scores.

Table 2: SEIFA IRSD score and rank by SA1 – Warragul SA2

| SA2 Code | Usual resident population | IRSD Score | Rank | Decile | Percentile |
|-------------|---------------------------|------------|------|--------|------------|
| 20501107935 | 519 | 767 | 215 | 1 | 2 |
| 20501107939 | 482 | 817 | 480 | 1 | 4 |
| 20501107906 | 344 | 839 | 689 | 1 | 6 |

| | | | | | |
|-------------|------|------|-------|---|----|
| 20501107912 | 459 | 840 | 699 | 1 | 6 |
| 20501107924 | 181 | 860 | 938 | 1 | 7 |
| 20501107929 | 400 | 876 | 1196 | 1 | 9 |
| 20501107909 | 289 | 888 | 1409 | 2 | 11 |
| 20501107913 | 454 | 937 | 2545 | 2 | 19 |
| 20501107925 | 492 | 946 | 2820 | 3 | 21 |
| 20501107927 | 590 | 951 | 2960 | 3 | 22 |
| 20501107905 | 518 | 976 | 3911 | 3 | 29 |
| 20501107910 | 491 | 980 | 4109 | 4 | 31 |
| 20501107942 | 421 | 980 | 4111 | 4 | 31 |
| 20501107904 | 479 | 990 | 4565 | 4 | 34 |
| 20501107902 | 548 | 993 | 4680 | 4 | 35 |
| 20501107911 | 322 | 1000 | 5014 | 4 | 37 |
| 20501107916 | 402 | 1003 | 5154 | 4 | 38 |
| 20501107931 | 418 | 1002 | 5101 | 4 | 38 |
| 20501107918 | 236 | 1007 | 5394 | 4 | 40 |
| 20501107923 | 460 | 1007 | 5406 | 4 | 40 |
| 20501107903 | 405 | 1008 | 5479 | 5 | 41 |
| 20501107920 | 334 | 1015 | 5848 | 5 | 43 |
| 20501107917 | 416 | 1020 | 6196 | 5 | 46 |
| 20501107915 | 339 | 1030 | 6853 | 6 | 51 |
| 20501107926 | 553 | 1032 | 7054 | 6 | 52 |
| 20501107938 | 397 | 1032 | 7075 | 6 | 52 |
| 20501107914 | 319 | 1043 | 7834 | 6 | 58 |
| 20501107936 | 408 | 1044 | 7918 | 6 | 59 |
| 20501107901 | 325 | 1050 | 8360 | 7 | 62 |
| 20501107944 | 657 | 1051 | 8414 | 7 | 62 |
| 20501107928 | 735 | 1053 | 8561 | 7 | 63 |
| 20501107933 | 347 | 1057 | 8913 | 7 | 66 |
| 20501107908 | 373 | 1064 | 9396 | 7 | 69 |
| 20501107907 | 389 | 1068 | 9790 | 8 | 72 |
| 20501107922 | 398 | 1068 | 9785 | 8 | 72 |
| 20501107945 | 1018 | 1068 | 9725 | 8 | 72 |
| 20501107919 | 268 | 1075 | 10316 | 8 | 76 |
| 20501107932 | 555 | 1075 | 10274 | 8 | 76 |
| 20501107943 | 716 | 1079 | 10584 | 8 | 78 |
| 20501107930 | 413 | 1080 | 10646 | 8 | 79 |

| | | | | | |
|-------------|-----|------|-------|----|----|
| 20501107921 | 502 | 1103 | 12205 | 9 | 90 |
| 20501107940 | 380 | 1105 | 12316 | 10 | 91 |

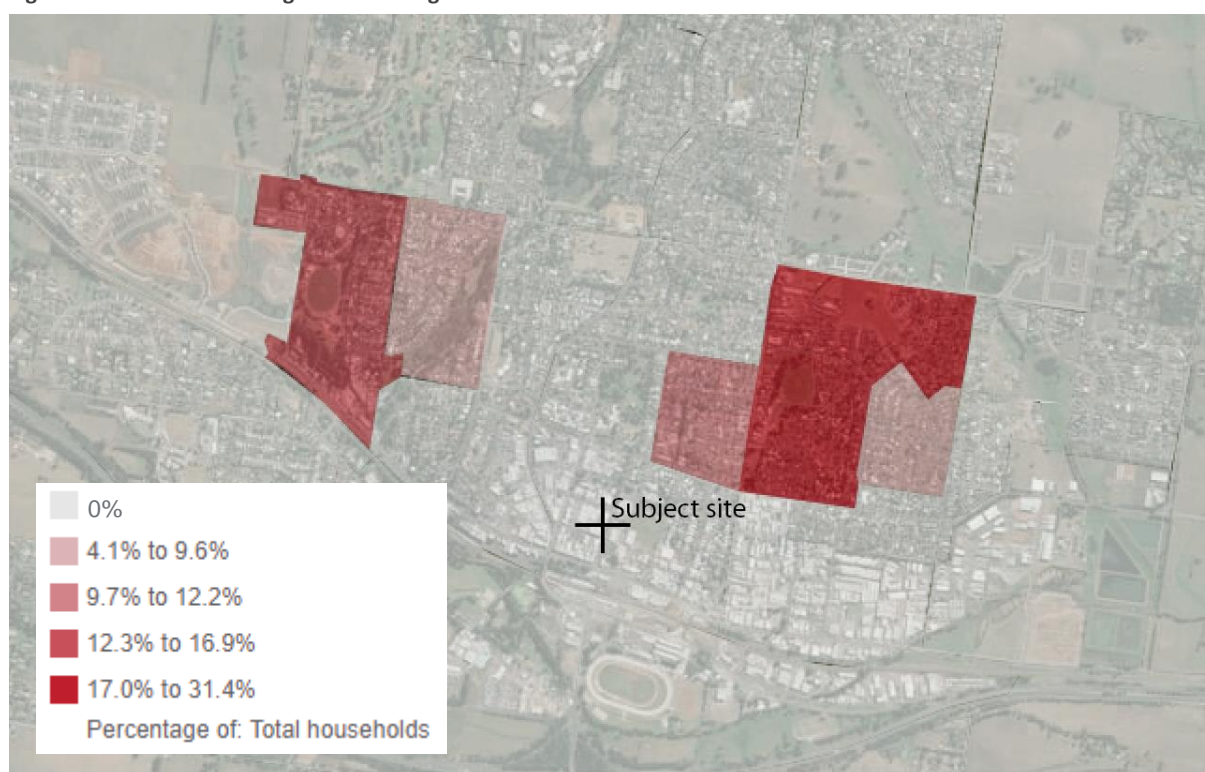
Source: ABS Census, SEIFA 2016

5.2 Other socioeconomic considerations

As outlined in Section 4.0, there are various demographic characteristics of people who may be at risk to problem gambling. These include people who rent social housing, people who are male, people who are in the correctional system, people with low educational attainment and people with a lower income. Where available, these demographic characteristics are shown spatially by SA1 across the Warragul Town Centre.

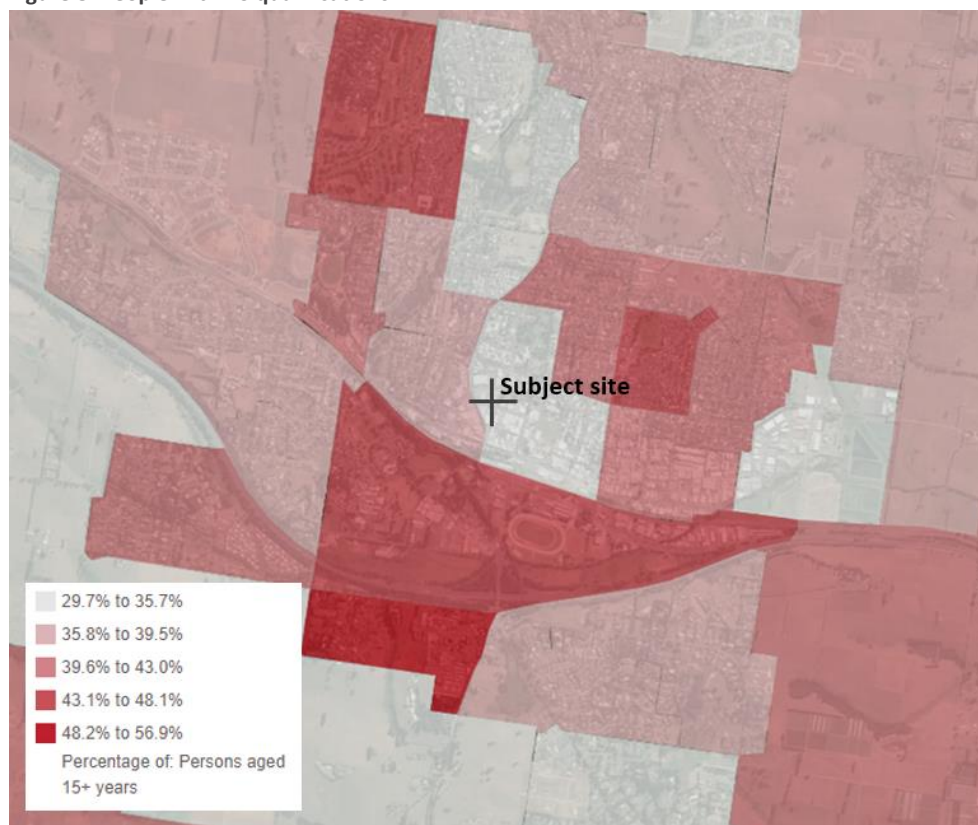
The spatial distribution of households renting social housing is evident in Figure 7.

Figure 7: Households renting social housing



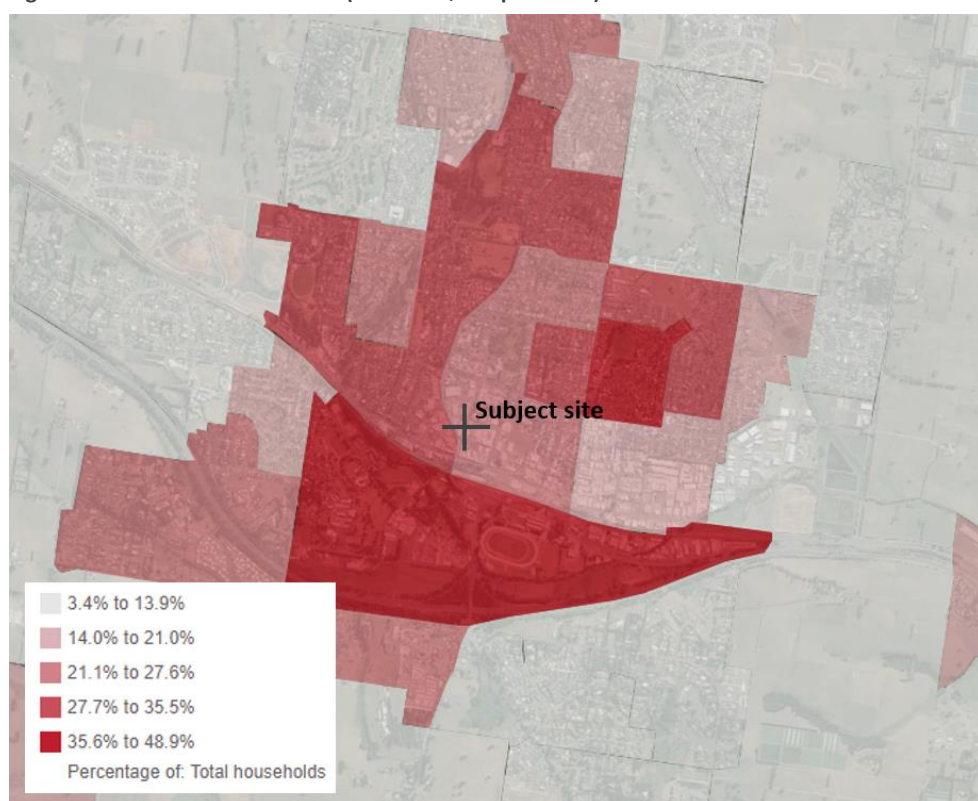
Source: ABS Census 2016; .id Social Atlas

Figure 8: People with no qualifications



Source: Social Atlas, Profile.id

Figure 9: Low income households (less than \$650 per week)



Source: Social Atlas, Profile.id

5.3 Summary of key findings

- EGMs host the highest proportion of gamblers who were considered problem gamblers.
- Increased EGM expenditure is associated with increase in gambling related harm.
- Socioeconomic disadvantage is a risk factor for problem gambling.
- The Newmason is located in within 2-3km of areas which have high levels of relative socioeconomic disadvantage.
- Nearby the Newmason site there are areas with higher levels of social housing, lower levels of educational attainment and lower income.

6.0 EXPENDITURE ANALYSIS

In 2016/17 the Warragul Country Club increased the number of EGMs from 60 to 80. Expenditure on EGMs at that venue increased by \$827,908. The total expenditure in the other three venues increased from \$9,367,548 to \$9,464,640. However, in that year the Warragul Club reduced the number of machines from 80 to 76 and its total revenue fell by \$344,805. In 2017/18 the Warragul Club increased the number of EGMs from 76 to 100. EGM expenditure at that venue increased by \$471,994 and expenditure at the other three venues increased from \$10,698,857 to \$11,068,844 or a total of \$369,987 (refer to Table 9 below).

Table 3: EGM expenditure 2015/16 to 2018/19 for Warragul and Drouin venues

| Venue | 2015/16 | 2016/17 | 2017/18 | 2018/19 |
|-----------------------|---------------------|---------------------|---------------------|---------------------|
| | Number of machines | | | |
| Club Hotel (Warragul) | 30 | 30 | 30 | 30 |
| Family Hotel | 28 | 28 | 28 | 28 |
| Warragul Club | 80 | 76 | 100 | 100 |
| Warragul Country Club | 60 | 80 | 80 | 80 |
| | EGM expenditure | | | |
| Club Hotel (Warragul) | \$2,123,463 | \$2,301,748 | \$2,082,890 | \$2,313,313 |
| Family Hotel | \$2,012,044 | \$2,275,657 | \$2,399,457 | \$2,928,816 |
| Warragul Club | \$5,232,041 | \$4,887,236 | \$5,359,230 | \$5,254,794 |
| Warragul Country Club | \$5,293,545 | \$6,121,453 | \$6,586,497 | \$6,681,662 |
| Total | \$14,661,093 | \$15,586,094 | \$16,428,074 | \$17,178,585 |

Source: VCGLR Historical Gaming Expenditure by Venue and Electronic Gaming Machine Venue Level Expenditure June 2019

The Family Hotel is located in Drouin and if just the Warragul based venues are considered, from 2015/16 to 2016/17 the combined EGM expenditure for the Club Hotel and Warragul Club declined from \$7,355,504 to \$7,188,984 or by \$166,520. During this period the number of EGMs in the Warragul Country Club increased from 60 to 80 and the Warragul Club numbers declined from 80 to 76.

From 2016/17 to 2017/18 the Warragul Country Club increased the number of machines from 76 to 100. In this same period EGM expenditure in the Club Hotel and the Warragul Country Club increased from \$8,423,201 to \$8,669,387 an increase of \$246,186. What the historical figures demonstrate is that the introduction of new EGMs to Baw Baw Shire and Warragul in particular had little or no impact on expenditure at other venues. A likely conclusion is that the introduction of new EGMs generates new expenditure as the following table shows the expenditure per machine has been relatively stable over the period 2015/16 to 2018/19 during which an additional 44 EGMs have been introduced.

Table 4: Average EGM expenditure 2015/16 to 2018/19 for Warragul and Drouin venues

| Venue | 2015/16 | 2016/17 | 2017/18 | 2018/19 |
|-----------------------|---------------------|-----------------|-----------------|-----------------|
| | Revenue per machine | | | |
| Club Hotel (Warragul) | \$70,782 | \$76,725 | \$69,430 | \$77,110 |
| Family Hotel | \$71,859 | \$81,273 | \$85,695 | \$104,601 |
| Warragul Club | \$65,401 | \$64,306 | \$53,592 | \$52,548 |
| Warragul Country Club | \$88,226 | \$76,518 | \$82,331 | \$83,521 |
| Total Average | \$74,046 | \$72,832 | \$69,026 | \$72,179 |

| Venue | 2015/16 | 2016/17 | 2017/18 | 2018/19 |
|------------------|----------|----------|----------|----------|
| Warragul Average | \$63,884 | \$62,198 | \$58,944 | \$59,873 |
| Warragul EGMs | 170 | 186 | 210 | 210 |

Source: VCGLR Historical Gaming Expenditure by Venue and Electronic Gaming Machine Venue Level Expenditure June 2019

In 2016 the number of EGMs per 1,000 adults in Baw Baw Shire was 11.97 and in Warragul (excluding Drouin) 14.04. However, a better measure, given the anticipated population growth in Warragul is the ratio of population per EGM. Table 11 shows that compared to Victoria, Melbourne and Baw Baw Shire, Warragul has a substantial concentration of EGMs and that if the additional 52 EGMs are approved that concentration will continue into the future even though it reduces, mainly as a result of population growth.

Table 5: Population per EGM Victoria, Melbourne Baw Baw and Warragul

| Venue | 2017 | 2018 | 2019 | 2041 |
|-------------------------|------------|------------|------------|---------------------|
| Victoria | | | | |
| Population ¹ | 6,321,606 | 6,460,675 | 6,595,579 | 9,332,774 |
| EGMS ² | 26,365 | 26,384 | 26,448 | 27,665 ³ |
| Pop per EGM | 240 | 245 | 249 | 337 |
| Country Victoria | | | | |
| Population ¹ | 1,477,678 | 1,497,326 | 1,516,909 | 1,929,430 |
| EGMS ² | 7,564 | 7,563 | 7,609 | 7,939 ³ |
| Pop per EGM | 195 | 198 | 199 | 243 |
| Melbourne | | | | |
| Population ¹ | 4,843,928 | 4,963,349 | 5,078,670 | 7,403,344 |
| EGMS ² | 18,801 | 18,821 | 18,839 | 19,118 ³ |
| Pop per EGM | 258 | 264 | 270 | 387 |
| Baw Baw | | | | |
| Population ¹ | 50,676 | 52,015 | 52,786 | 84,150 |
| EGMS ² | 216 | 240 | 240 | 292 ⁴ |
| Pop per EGM | 235 | 217 | 220 | 288 |
| Warragul | | | | |
| Population ¹ | 16,479 | 16,961 | 16,430 | 29,700 |
| EGMS ² | 186 | 210 | 210 | 262 ⁴ |
| Pop per EGM | 89 | 81 | 78 | 113 |

Source: Victoria in Future 2019, VCGLR Electronic Gaming Machine Venue Level Expenditure June 2019, Baw Baw Shire Estimated Resident population

Notes: 1. Population figures from VIF and Baw Baw are for a calendar year.
 2. The VCGLR figures are financial year
 3. Projected increase in EGMS based on 2017-2019
 4. includes the 52 Newmason EGMs

6.1 Summary of key findings

- The total annual expenditure on EGMs in Baw Baw was \$17,178,585 or \$72,179 per machine in 2018/19.
- Historical data shows that the introduction of new EGMs to Baw Baw Shire and Warragul in particular has little or no impact on expenditure on other venues after the first year.

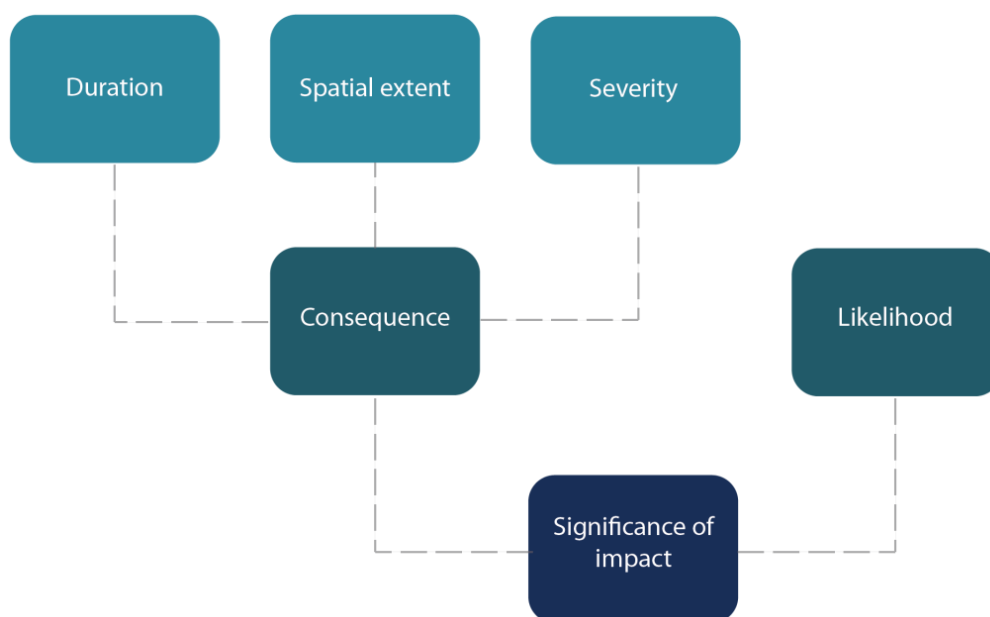
- Compared to Melbourne, non-metropolitan Victoria and Victoria as a whole, there is a high concentration of EGMs in Warragul, with 1 EGM for every 78 people in 2019. Even with population growth this ratio will remain high in 2041.

7.0 ANALYSIS OF PROPOSAL

7.1 Methodology

To fully determine the significance of likely impacts it is necessary to consider the scale, duration and intensity to understand the consequences of an impact. An assessment of the likelihood of a consequence then provides a measure of the significance of an impact. This methodology is outlined in Appendix C and the framework summarised in the figure below.

Figure 10: Social and Economic Impact Assessment Framework



This assessment is based on the information provided by the NBA group as part of the application. The assessment is summarised in Table 7 below.

7.2 Community contributions

7.2.1 Community contributions

The Application proposes an annual cash contribution of \$100,000 to local sporting clubs, schools and other community groups. A total of \$10,000 of this amount is allocated to two specific organisations and a further \$15,000 to generic descriptions (e.g. “local schools and kindergartens”). The proposal includes a community bus, but no details have been provided on the intended use of the bus or discussion with Council on whether this is a duplication of an existing service and if there is a need for such a service.

This has been assessed as a moderate impact.

7.2.2 Building works at Ellinbank Reserve

The application states that \$2million will be spent on implementing the Ellinbank Recreation Reserve Masterplan. Most of the proposed expenditure is targeted at upgrading existing facilities largely for existing members. For example, \$500,000 plus is the estimated cost of land purchase for additional car parking and up to \$600,000 for a function room. In contrast \$20,00 plus is allocated to “due diligence investigations prior to the introduction of a female football team” and \$10,000 to “facilitate the introduction of female football teams”. The Ellinbank

Reserve is in excess of seven kilometres from the centre and there are a number of alternative venues with function rooms in Warragul. Consequently, it is likely that the function room will be used predominantly by the Ellinbank football, netball and cricket clubs rather than the general community. In addition, the Warragul PSP indicates that three sports reserves will be developed in locality in order to meet current and future demand for sports infrastructure.

Part of this budget includes an estimate of \$425,000 to accommodate the gaming room and the alfresco dining area. Given the Newmason will continue to operate from 7:00 am to 1:00 am it is likely the main beneficiaries of this redevelopment will be patrons of the restaurant/bar component of the venue. Given the Newmason's offering of breakfast through to dinner and late night, it is also likely the alfresco area would have been added without the addition of EGMs.

This has been assessed as a moderate impact.

7.3 Location suitability

7.3.1 RSG Features & services

Compliance with Responsible Service of Gambling should be seen as a requirement of obtaining a licence and not an economic benefit.

This has been assessed as a minor impact.

7.3.2 Venue location

The site is located in what is the applicant considers is a 'destination venue' on the periphery of the Warragul activity centre. It is part of the Mercure building complex which, we are advised, provides for permanent residents in addition to short term stays. On 13 February 2017 the Minister for Consumer Affairs, Gaming and Liquor Regulation issued a guideline which contained the following:

'Where a building includes permanent residential accommodation, locating gaming machines in that building can increase exposure to gambling for residents. This exposure may increase the risk that some of those residents will be enticed to gamble on impulse. It also reduces the capacity of residents to avoid exposure to gaming machines and other forms of gambling available in a venue. This may be particularly problematic for children and people at risk of problem gambling.'

The site is located in between a number of significant services providers to vulnerable members of the community. The LCHS is located immediately to the north of the subject site. Quantum Support Services, SalvoCare and Konect Employment are located to the south of the subject site opposite the Mercure Hotel in Williams Street. The location next the LCHS which provides support services to problem gamblers. The most direct route from the station to the LCHS is along Mason Street, past the Newmason. In effect the Newmason is extremely visible to any visitor to the LCHS regardless of how, or in what direction they travel there.

In addition, the long term plan the Warragul Town Centre is to expand to the east which would locate the Newmason in the centre of a significant retail and commercial area.

The location is surrounded by significant areas of disadvantage as indicated by the SEIFA figures. There are also substantial concentrations of social housing to the north and northeast of the site.

This has been assessed as a major impact.

7.4 Employment and economic contribution

7.4.1 Gaming expenditure not associated with problem gambling

EGMs are a valid recreation activity. The expenditure report accompanying the application undertaken by Progressive Venue Services (PVS) estimated that an additional \$553,000 net new expenditure from the venue with an 84% transfer.⁹ The Productivity Commission (2010) estimates the proportion of expenditure from problem gamblers is between 22% and 61% and that EGMs users account for between 75% and 80% of problem gamblers. Taking the midpoint of these estimates, the total benefit expenditure is \$382,676 or \$7,359 per EGM per annum.

This has been assessed as a minor impact.

7.4.2 Employment

The applicant submitted that 20 new staff would be employed at the venue. It is unclear whether these new roles are solely attributable to the gaming room.

Nevertheless, given the impact predicted on expenditures on the Warragul Club and the Warragul Country Club, in excess of \$1million for each venue, any increase in employment at the Newmason venue is likely to be offset by loss of employment at other venues.

In addition, the Productivity Commission has observed:

'The people employed by the gambling industry have skills that are highly valued in the service sector as a whole, and they primarily work in large population centres where there are many other employment options. As a result, the longer-term employment effects of the gambling industry are likely to be negligible (a finding supported by analysis commissioned by the industry itself).'

This has been assessed as a minor impact.

7.4.3 Supply contracts

It is likely that the addition of EGMs at the Newmason will generate a very small increase in supply contracts, including cleaning and EGM servicing and maintenance. These suppliers may or may not be locally sourced. However, it is reasonable to assume that decisions around procurement of suppliers will be based on cost rather than the geographical proximity of the supplier.

This has been assessed as a minor impact.

7.4.4 Complementary expenditure

The redevelopment of the Newmason involves the replacement of the function room with a gaming room and the addition of an alfresco area which is already approved as part of the use. The addition of EGMs to the venue is likely to lead to a small increase in expenditure of complementary goods, mainly on food and drinks. This represents a benefit to the extent that the complementary expenditure is induced; that is, that it would not have occurred without the addition of the gaming room or elsewhere in the region in the absence of the proposed venue. Given the PVS estimation that 85% of the EGM revenue will be transferred from other venues, it is likely that a similar proportion of complementary expenditure will also be transferred from other venues.

This has been assessed as a minor impact.

⁹ Progressive Venue Services, *Ellinbank Football and Netball Club Expenditure Report*, Michael Clyne, May 2019

7.4.5 Increased competition among gaming venues

The impact of additional EGMs on gaming competition in a region is traditionally an economic benefit that the VCGLR has considered important in their assessments of EGM applications. In the 2018/19 financial year, there were 238 EGMs in operation across the Baw Baw Shire of which 210 (88%) were located in Warragul. This results in a significant concentration of EGMs in Warragul as detailed in Section 6.0, this concentration is significantly higher than Metropolitan Melbourne, Country Victoria and Victoria as a whole.

This has been assessed as a minor impact.

7.4.6 Diversion of trade from other venues

The PVS expenditure report estimated that 84% of the Newmason EGM expenditure would come from other venues. Table 4 of that report provides a percentage breakup by venue. If this level of diversion is accepted and the diversion rates detailed in Table 4 of the PVS report accepted the dollar amount of expenditure lost based on 2018/19 figures would be as follows.

Table 6: Estimates expenditure losses from other venues in dollars

| Venue | EGM Expenditure lost to Newmason's |
|-----------------------|------------------------------------|
| Club Hotel (Warragul) | \$449,014 |
| Family Hotel | \$480,033 |
| Warragul Club | \$1,031,516 |
| Warragul Country Club | \$1,205,372 |

If distance is one of the two calibrations used in the gravity model it is surprising that the Family Hotel, located in Drouin, around 9 kilometres from Warragul, which has a lower number of EGMs, experiences a higher loss than the Club Hotel which has two more EGMs. Given the location of three of these venues in Warragul it is more likely that the diversion of trade from other venues will be largely felt by the Warragul venues and the loss to Newmason more severe than the figures above. Nevertheless, the loss of between 16% to 19% of revenue would have a significant economic impact on most businesses, which generally would result in significant cost cutting, including staff reductions.

This has been assessed as a moderate impact.

7.5 Gambling related harm

7.5.1 Gaming expenditure associated with problem gambling

The Productivity Commission (2010) estimated that the proportion of EGM expenditure attributable to problem gambling averages at 40 per cent for Australia and accounts for between 22 and 60 per cent of all EGM expenditure in Victoria. It also calculated the social and economic costs of problem gambling across all categories at between \$4.7 and \$8.4 billion. In 2018 Victoria with 25.9% of the Australian population this would amount to \$1.28 to \$2.09 billion. The Victorian Responsible Gambling Foundation estimates there are 35,600 problem gamblers (0.81% of Victorian adults), 122,500 (2.8%) moderate risk gamblers and 391,200 (8.9%) low risk gamblers. The Foundation estimated that 57.6% of Victorian adults were non problem gamblers and 29.9% non-gamblers.

As explained above, the addition of 52 new EGMs is likely to lead to an increased number of problem gamblers. Some of those problem gamblers are likely to be transferred from other venues in the short term. However, as the data in Section 6 indicates any reduction in revenue is generally reversed the following year. In addition, as

Section 6 shows there already is a high concentration of EGMs in Warragul and while population growth to 2041 reduces the ratio of EGMs, in Warragul the ratio remains high.

This has been assessed as a moderate impact.

7.5.2 Social impacts to the individual resulting from problem gambling

Decrements to the person's health, both morbidity and mortality

- Problem gambling has links to comorbidities such as addiction, mental health, social impairment and age-related health impairments. Harm to the individual person can include poor exercise, smoking, alcohol consumption, and obesity.
- Consequences include lower self-ratings of health, more emergency department visits, more likely to have been hospitalised for a psychiatric condition and more likely to be medicated for a mental health issue.

Emotional or psychological distress

- Individual health impacts from experiencing feelings of guilt, anxiety, helplessness, as well as shame, stigma, grief and even self-hatred.

Financial difficulties, diverted financial resources, bankruptcy or reduction of financial situation

- Financial harm develops over a long time frame and can result in individuals not being able to meet the cost of essential items such as food, clothing, personal care products, utilities and housing.

Reduced performance/loss of role at employment or study

- Harm in terms of employment or study ranges from reduced performance – caused by a preoccupation with gambling or other gambling harms, to absenteeism, and through to termination of employment.

Relationship conflict or breakdown.

- Harm to relationships tends to be conceptualised as the crisis level of break down, and the neglect of the family.
- The harm to relationships is both an outcome and a determinant of other harms. The breakdown of relationships can contribute to homelessness, poorer health outcomes, and deteriorated emotional states.
- Psychological, emotional, physical and economic connections between individuals can act as pathways for the transmission of harm. Therefore, gambling related harm to the individual also causes harm to friends and family.

Criminal activity and neglect of responsibilities, including the consequences of such actions

- Problem gambling has been linked to the undertaking of criminal behaviours, particularly property crimes and fraud

It is assumed that gambling is not the only causal factor resulting in these harms.

7.5.3 Social impacts to the community resulting from problem gambling

Increase in crimes that generate funds

- There is an observed relationship between the proliferation of gambling opportunities and an increase in crimes such as property crimes and fraud in Victoria

Increase in health and welfare costs

- Increased expenditure on treatment for people experiencing gambling problems, counselling, support of families, or costs of harm to the family.
- Gambling can cause people to delay medical care due to financial constraints, which can increase overall cost which is passed to the community through emergency room visits.

Pervasive harm to community

- These are the indirect harms to the community resulting from problem gambling including poverty, poor health, and lower levels of social and human capital.
- The location of EGMs in more disadvantaged areas increases risks of pervasive community harms.

It is assumed that gambling is not the only causal factor resulting in these harms.

This has been assessed as a Moderate impact.

Table 7: Indicative assessment matrix

| Impact | Stakeholders | Duration | Extent | Severity | Consequence | Likelihood | Impact |
|--|---|-------------|--------------|------------|-------------|------------|----------|
| SOCIAL AND ECONOMIC IMPACTS - BENEFITS | | | | | | | |
| Gaming expenditure not associated with problem gambling | Visitors/gamblers, Newmason Club | Long term | Town | Small | Slight | High | Minor |
| Employment generated | Employees, Newmason Club, Ellinbank FNC | Medium term | Town | Negligible | Slight | High | Minor |
| Community Contributions | Baw Baw Community | Long term | Locality | Medium | Moderate | Possible | Moderate |
| RSG Features & services | Visitors/gamblers | Long term | Locality | Small | Slight | Possible | Minor |
| Supply contracts | Local businesses, Newmason Club | Medium term | Municipality | Small | Slight | High | Minor |
| Complementary expenditure | Newmason Club, visitors/gamblers, employees | Short term | Locality | Negligible | Slight | High | Minor |
| Building works | Ellinbank FNC, Baw Baw Community | Medium term | Locality | Small | Moderate | Possible | Moderate |
| Increased competition among gaming venues | Newmason Club, surrounding venues, employees | Medium term | Locality | Small | Slight | Possible | Minor |
| SOCIAL AND ECONOMIC IMPACTS – DISBENEFITS | | | | | | | |
| Gaming expenditure associated with problem gambling | Problem gamblers, visitors/gamblers, Newmason Club, friends and family of problem gamblers, Baw Baw community | Long term | Town | Medium | Moderate | High | Moderate |
| Social impacts to the individual resulting from problem gambling | Problem gamblers, visitors/gamblers, friends and family of problem gamblers, Baw Baw community | Long term | Town | Large | Moderate | High | Moderate |
| Social impacts to the community resulting from problem gambling | Problem gamblers, visitors/gamblers, friends and family of problem gamblers, Baw Baw community | Long term | Shire | Medium | Moderate | High | Moderate |
| Diversion of trade from other venues | Newmason Club, surrounding venues, employees | Medium term | Town | Large | Moderate | Possible | Moderate |
| Venue location | Problem gamblers, visitors/gamblers, Baw Baw community | Long | Town | Large | Major | High | Major |

8.0 CONCLUSION

The findings of this report are as follows.

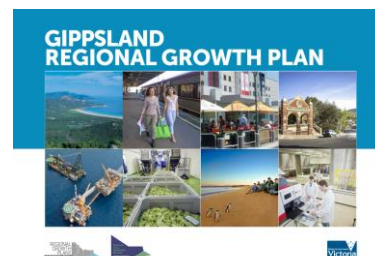
- EGMs are a valid recreation activity in Victoria. The applicant estimated that the 52 new EGMs will generate revenue in the order of \$3.418 million of which \$553,000 will be net new expenditure from the venue with an 84% of the revenue transferred from other venues.
- Between 2015/16 and 2018/19 the installation of new additional EGMs did not result in a reduction in revenue at other venues. Most venues saw an increase in revenue over this time.
- Accessibility of gambling is a significant risk factor for problem gambling and greater expenditure at gaming venues is associated with an increased risk of problem gambling in the local area.
- There are substantial areas of disadvantage in the immediate area around the venue and there are significant areas of social housing nearby.
- In the immediate vicinity there are a number of service providers that provide medical, housing and employment assistance. Immediately next to the venue is the Latrobe Community Health Service which provides assistance to people experiencing problems with gambling and other forms of addiction counselling.
- The application lacks sufficient detail to fully assess the impact of the annual cash contribution, the community bus and jobs generated by the proposed changes to the Newmason.
- On the basis of the information submitted with the application, the main benefits identified in the application are:
 - a proposed annual contribution of \$100,000 to local sporting clubs, schools and other community groups;
 - a community bus; and
 - the implementation of the Ellinbank Recreation Reserve Masterplan.
- The main disbenefits are:
 - Further concentration of EGMs in Warragul;
 - The likely increase in the number of problem gamblers with the addition of 52 new EGMs;
 - The social impacts to individuals and the community associated with problem gambling;
 - The significant impact forecast by the applicant on other venues; and
 - The position of the venue and its proximity to community support and social services as well as permanent residences.
- There is a substantial risk that the addition of an additional 52 EGMs will result in an increase in problem gambling in Warragul. The applicant has not demonstrated that an increase in the number of EGMs in Warragul will not result in an increase in problem gambling. Any approval of the proposal should require a clear demonstration that the proposal will not lead to an increase in problem gambling.
- The analysis undertaken above concludes that the proposed EGM venue is likely to lead to a net economic and social detriment to the community surrounding the venue. The applicant has not clearly demonstrated that there is a net benefit associated with the proposal. Therefore, in HillPDA's view the application fails the 'no net detriment' test. This finding stands in contrast to the conclusion reached on behalf of the applicant by NBA Group.

APPENDIX A: PLANNING AND POLICY CONTEXT

A.1 State Government

A.1.1 Gippsland Regional Growth Plan

This document was released in May 2014 and provides the basis for regional coordination and future planning of infrastructure to support regional land use objectives. Warragul and Baw Baw Shire are situated within the Gippsland area, which is projected to grow in population from 44,042 in 2011 to 64,608 in 2031.



The region is identified as having a unique natural landscape with a range of tourism opportunities, however there are significant challenges in terms of disconnection between communities.

The strengths of the region include the east-west road and rail links, a unique natural landscape which draws tourism and productive agricultural land.

The proportion of people aged 65 or over is forecast to increase from 18 per cent to 30 per cent over the next 30 years compared to 12 per cent of the population in 1996. This has implications for health and social services as well as leisure and cultural services. A related challenge for the region is to attract and retain younger people who leave the region for education and employment opportunities in Melbourne.

The challenges for growth which relate to the proposed development in the Gippsland region include:

- sustaining and expanding economic activity through a period of diversification and transition
- identifying new and improving existing tourism opportunities in the region
- accommodating projected population and household growth, including managing settlement growth with consideration of economic resources, environmental assets and natural hazards
- managing the impacts of a changing community profile including an increasingly aged population

Vision for Warragul includes:

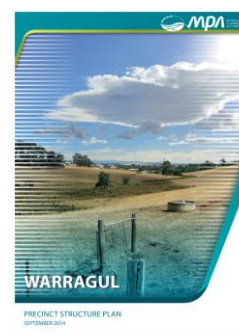
- Warragul will grow as the regional centre for the western part of Gippsland
- Increased local job opportunities will reduce reliance on commuter travel to employment locations in the metropolitan area
- Larger urban centres with the ability to support higher labour productivity and jobs
- Diversified economy and more investment in the projected higher employment service sector industries of healthcare, scientific and technical services, retail, trade, accommodation and food
- More retail/commercial uses and medium density housing in the Warragul CBD and immediate surrounds
- Future urban growth is planned for land release areas to the north and south of suburban Warragul

A.1.2 Warragul Precinct Structure Plan (Amendment C108)

Produced in September 2014, the Warragul Precinct Structure Plan (PSP) was prepared by the Metropolitan Planning Authority (now known as the Victorian Planning Authority). The document outlines a strategy to accommodate population growth across 12,500 new dwellings in Warragul.

The PSP also plans for an expansion of the town's existing infrastructure to service an increased population, including:

- A new road network that provides alternative routes through and around the town.



18 kilometres of new pedestrian and cycle paths, building on the success of the two-towns trail.

80 hectares of new open space, including new significant regional parks in the south and north of town.

Provision for three new community centres and four new schools.

Two new neighbourhood centres, providing convenience retail and essential services closer to where people live.

An expanded business and industry precinct to increase the number of local jobs.

Of the net developable area, 6.72% will be 'new parks and sporting reserves.

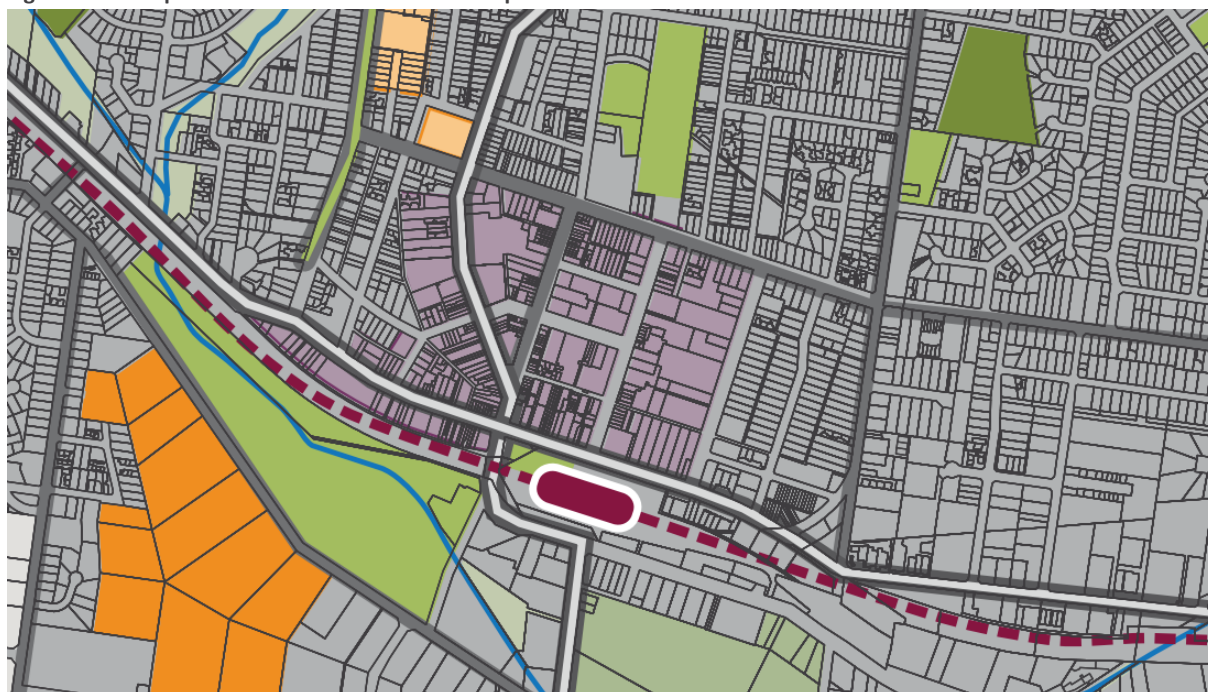
Some objectives relating to this project include:

05 - Integrate new development with the existing township.

08 - Deliver an integrated network of local passive parks, active recreation reserves, community infrastructure, and schools that meet the needs and aspirations of the new community.

Over the long-term redevelopment and expansion in Warragul Town Centre has the potential to significantly increase the existing services and employment opportunities for the growing population. This is represented as an expansion of the Warragul Town Centre to include the block to the east of the current Warragul CBD, as seen in Figure 11.

Figure 11: Excerpt from future urban structure map



Source: Warragul Precinct Structure Plan, Metropolitan Planning Authority, 2014

New neighbourhood centres on the outskirts of the town will complement the existing centre by catering for the local needs of new residents. Three sports reserves are proposed as part of the PSP and are described in Table 8.

Table 8: Future sports reserves from Warragul PSP

| TYPE | Size (Ha) | Location |
|------|-----------|----------|
|------|-----------|----------|

| | | |
|-------|-------|--|
| SR-01 | 8.75 | Sporting reserve Co-located with potential government primary school and community centre alongside waterway. Can accommodate two senior ovals. |
| SR-02 | 12.17 | Sporting reserve Located adjacent the Lillico Volcano. Can accommodate one senior oval, three soccer pitches and other facilities. Contains remnant stand of Strezlecki gum trees. |
| SR-03 | 6.75 | Sporting reserve Located adjacent waterway. Can accommodate one senior oval and two soccer pitches. |

The Warragul Town Centre is subject to increased retail and commercial development and expansion of the commercial core. There are further plans to develop sports reserves in the locality, which would in the long term, deliver sports facilities in line with demand.

A.1.3 Warragul Town Centre Strategy

The Warragul Town Centre Strategy provides a 30-year vision for the growth and development of the centre. The plan builds on the current strong and functional town centre and provides guidance for additional development for a growing population, improved pedestrian access and public infrastructure and services. It includes three components:

- Urban Design Framework
- Station Precinct Master Plan
- Town Centre Master Plan

Warragul Urban Design Framework and Station Precinct Master Plan

Council, in collaboration with the Victorian State Government, developed a master plan to guide the future development of the station precinct. This project was delivered in conjunction with the Warragul town centre urban design framework.

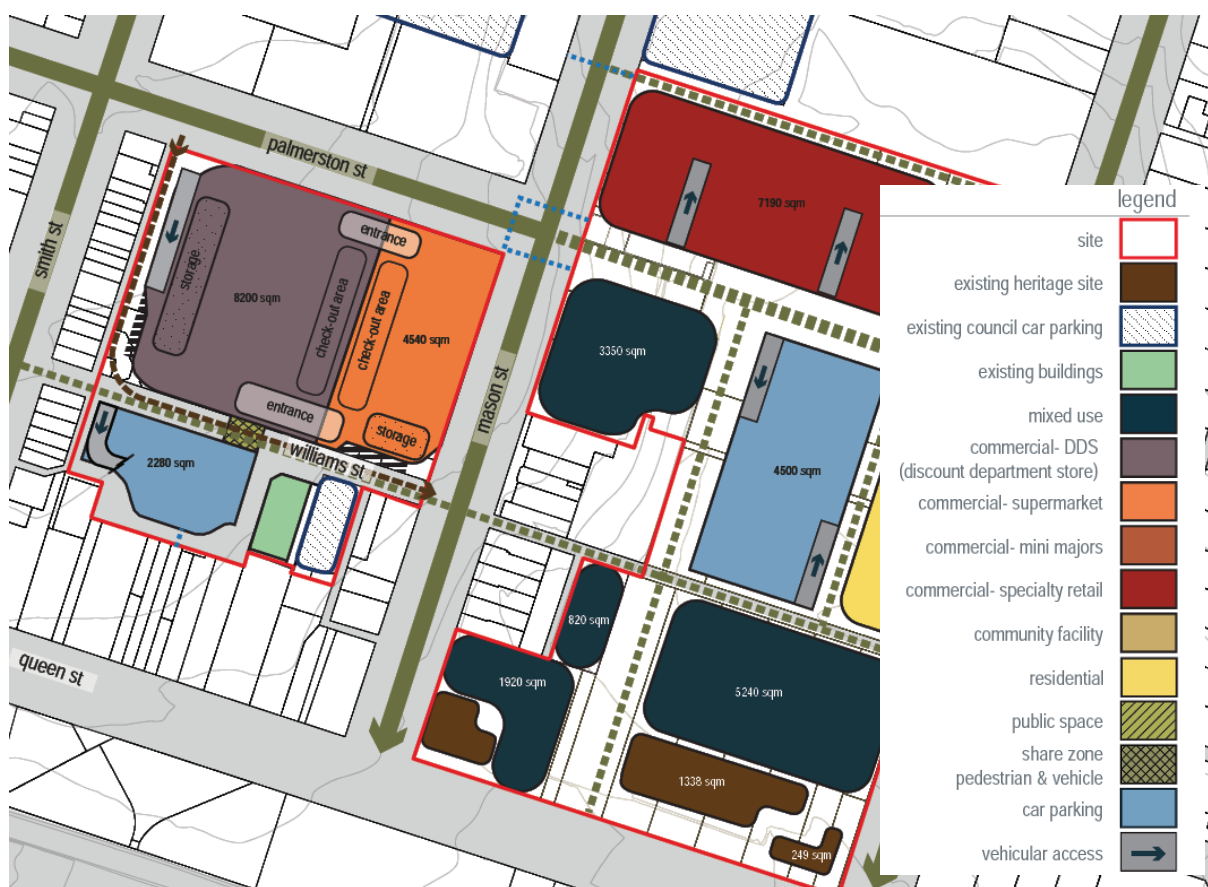
The Warragul train station is a key component of the Warragul town centre providing frequent rail service between Warragul, the Latrobe Valley, and Melbourne. The Warragul station precinct master plan provides a detailed land use master plan to guide future development and investment in the station precinct.

Warragul Town Centre Master Plan

The Warragul Town Centre Master Plan provides detailed guidance on how the vision and principles identified in the Warragul Town Centre Urban Design Framework can be implemented. The indicative land use layout is seen in Figure 12 below.

Figure 12: Extracts from Warragul Town Centre Masterplan





A.1.4 Warragul Development Contributions Plan (Amendment GC75)

The DCP includes five categories of projects which includes 'Recreation' and 'Community'.

The need for infrastructure included in the DCP has been determined according to the anticipated development of the Warragul growth areas as outlined in the Warragul PSP. The recommend community facility provisions of the DCP and PSP have been weighted against the existing and planned community facilities in Warragul and any demographic differences between the new community and the metropolitan average used as the basis.

The DCP mentions the funding mechanisms for sports facilities in its Section 2.1.3:

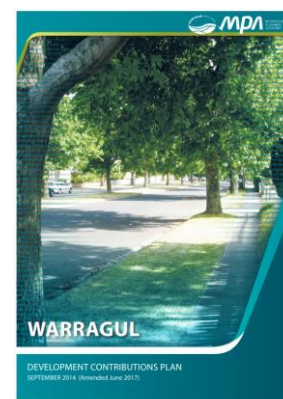
'The Precinct Structure Planning Guidelines (The guidelines) recommend the adoption of an average open space provision of 10% of NDA-R across PSP areas. The guidelines are a reference document in the Baw Baw Planning Scheme.

The 10% figure is based on the appropriate provision of both sporting reserves (active open space) and neighbourhood parks (passive open space) for new communities. It is intended to allow for the delivery of basic local facilities with higher-order regional facilities to be delivered by Council.

For land within the MCA this 10% provision will be divided into two contributions of:

4.5% of NDA-R for neighbourhood parks to be delivered through Clause 52.01 of the Baw Baw Planning Scheme and outlined in the PSP.

5.5% of NDA-R for new sporting reserves to be delivered through this DCP.



Where the 5.5% provision will not be fully achieved within the MCA, the balance will be provided as a cash contribution that is directed toward projects that increase the carrying capacity of sports facilities external to the MCA and that in turn will assist in meeting the needs of the new community. Alternatively, should suitable land become available that is of a reasonable value, the Council may elect to use some of this contribution to make strategic purchases with the intent of delivering additional sporting reserves.'

The DCP was incorporated into the Baw Baw Planning Scheme by amendment C112 in July 2015.

The Metropolitan Planning Authority has identified Warragul as an area of significant growth in the future and produced a DCP to fund the infrastructure demand generated by the new community. This DCP details multiple revenue streams from which recreational and community facilities will be developed in the future.

A.1.5 Baw Baw Planning Scheme – VPP Clause 52.28

Purpose

- To ensure that gaming machines are situated in appropriate locations and premises.
- To ensure the social and economic impacts of the location of gaming machines are considered.
- To prohibit gaming machines in specified shopping complexes and strip shopping centres.

Prohibition of a gaming machine in a shopping complex

Installation or use of a gaming machine is prohibited in all strip shopping centres on land covered by this planning scheme.

This does not apply to a gaming machine in an approved venue under the Gambling Regulation Act 2003 on 18 October 2006; and the maximum number of gaming machines for the approved venue on 18 October 2006 is not exceeded.

Decision guidelines

Before deciding on an application, in addition to the decision guidelines of Clause 65, the responsible authority must consider, as appropriate:

- The Municipal Planning Strategy and the Planning Policy Framework.
- The compatibility of the proposal with adjoining and nearby land uses.
- The capability of the site to accommodate the proposal.
- Whether the gaming premises provides a full range of hotel facilities or services to patrons or a full range of club facilities or services to members and patrons.
- Any other matters specified in the schedule to this clause.

A.2 Local Government

A.2.1 Responsible Gaming Policy

In September 2013 Council adopted its Responsible Gaming Policy

Council is committed to minimising the harmful effects of electronic gaming.

While gambling is a legitimate industry and plays a significant role in the there is strong evidence that gambling can adversely affect some individuals, their families, friends and communities. The include health and emotional problems, family breakdown related crime, leading to significant costs for the individuals, the community, business and government at all levels.

The elements of the policy are to:

- Discourage new gaming machines in disadvantaged areas.
- Support the cap of 299 EGMs for the municipality.
- Prohibit the installation of gaming machines in shopping complexes, strip shopping centres or in any Council owned facility in line with Cause 52.28 Gaming of the Planning Scheme.
- Request EGM applicants to consider the potential social and economic impacts of gaming in new applications.
- Request EGM applicants to minimise opportunities for convenience gaming and the incidence of problem gambling, and to offer non-gaming entertainment and recreation activities.
- Request that EGM venues participate in the Gambler's Help Venue Support Program
- Require that Council's written agreement be obtained prior to the distribution of annual community contributions from all gaming operations.
- Exercise Council's right to make submissions to the Victorian Commission for Gambling and Liquor Regulation where it believes an increase in the number of EGMs may be detrimental to the community.

A.2.2 Integrated Municipal Public Health and Wellbeing Plan and Health Promotion Funded Agencies Health Promotion Plan 2017-2021

Being Healthy in Baw Baw 2017 – 2021 is the Baw Baw Public Health and Wellbeing Plan 2017 – 2021 which sets out to protect, improve and promote public health and wellbeing within Baw Baw. It is a statutory requirement under the Public Health and Wellbeing Act 2008.

This 4-year plan and subsequent annual action plans also acts as the Health Promotion Plan for local Integrated Health Promotion funded agencies. It utilises existing state-wide infrastructure and programs for action, such as the Victorian Government's Achievement Program and the Healthy Choices Guidelines as required by Victorian prevention and health promotion funded organisations.



This is represented in Strategy 4.1:

'Build the capacity of people and organisations to reduce harm from gambling.

People are supported to gamble responsibly and feel that their environment helps them to avoid harm from gambling.'

A.2.3 Youth Strategy 2018-2022

This document outlines Council's commitment and key initiatives to promote and support the health and wellbeing of young people (aged 12-25 years) in Baw Baw Shire. Initiatives relating to youth and sports facilities and employment include:

Initiative 2.6 Continue to provide spaces and places for young people to meet their recreational need (such as pools, skate events, sports fields etc.). Time line: Ongoing.

Initiative 2.3 Investigate local projects and programs that increase young people's education, training and employment opportunities. Time line: Medium term.

APPENDIX B: DEMOGRAPHIC PROFILE SA2

B.1 Definition of study area

Using a broader study area (SA2) provides a more detailed analysis of the 2016 Census data.

Figure 13: Subject site in study area

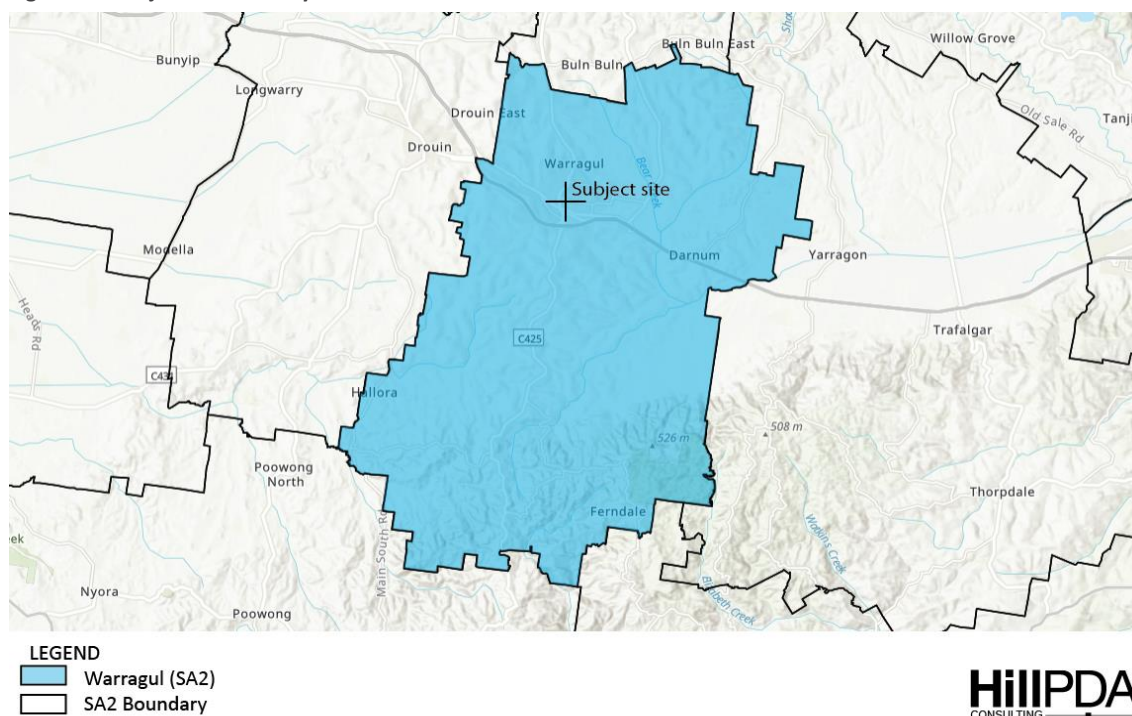


Figure 14: Study area in regional context



The Newmason (the subject site) is located in Warragul, which is a regional town in south-east Victoria, in the wider La Trobe – Gippsland region. The Warragul Statistical Area Level 2 (SA2) is located within the Baw Baw Local Government Area (LGA). Warragul is approximately two hours drive from Melbourne and the town is supported by a regional railway line and the M1 Highway.

B.2 General characteristics

In 2016 Warragul had a population of 18,758. The population increased by 2,036 between 2011 and 2016 or at a rate of 2.17% per annum. A snapshot of the study area's demographics is seen in Table 9.

Table 9: Demographic snapshot

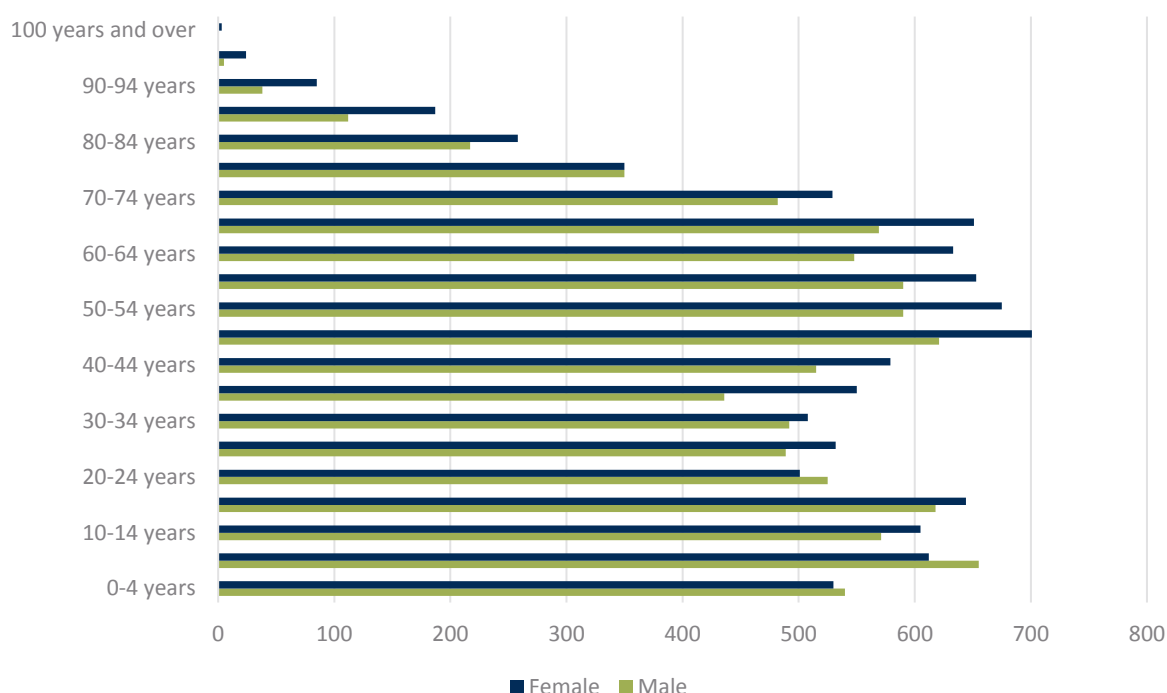
| | Warragul | Victoria |
|--|----------|-----------|
| People | 18,758 | 5,926,624 |
| Male | 47.8% | 49.1% |
| Female | 52.2% | 50.9% |
| Median age | 42 | 37 |
| Families | 4,975 | 1,532,077 |
| Average children per family (families with children) | 1.9 | 1.8 |
| All private dwellings | 8,026 | 2,520,912 |
| Average people per household | 2.5 | 2.6 |
| Median weekly household income | \$1,211 | \$1,419 |
| Median monthly mortgage repayments | \$1,473 | \$1,728 |
| Median weekly rent | \$250 | \$325 |
| Average motor vehicles per dwelling | 1.9 | 1.8 |

Source: ABS Census, 2016

B.3 Age structure

Figure 15 shows the age profile by sex of Warragul. Compared to Victoria, Warragul has a slightly older population, however the age profile has a large portion of adolescents too.

Figure 15: Age and sex profile



Source: ABS Census, TableBuilder 2016

Analysis of the five-year age groups of Warragul in 2016 compared to Victoria shows that there was a higher proportion of people in the younger age groups (under 15) and a similar proportion of people in the older age groups (65+). Overall, 21.0% of the population was aged between 0 and 15, and 23.1% were aged 65 years and over, compared with 18.2% and 15.6% respectively for Victoria.

In Warragul 14,473 people are aged 18 years and over. This represents 77.2% of the total population (this number is 77.5% in Victoria).

The largest changes in age structure in this area between 2011 and 2016 were in the age groups:

- 5 to 9 years (+199 persons)
- 65 to 69 years (+384 persons)
- 70 to 74 years (+313 persons)

The following age groups experienced a decrease in population:

- 0 to 4 years (-48 persons)
- 10 to 14 years (-57 persons)
- 40 to 44 years (-55 persons)

B.3.1 Forecast population

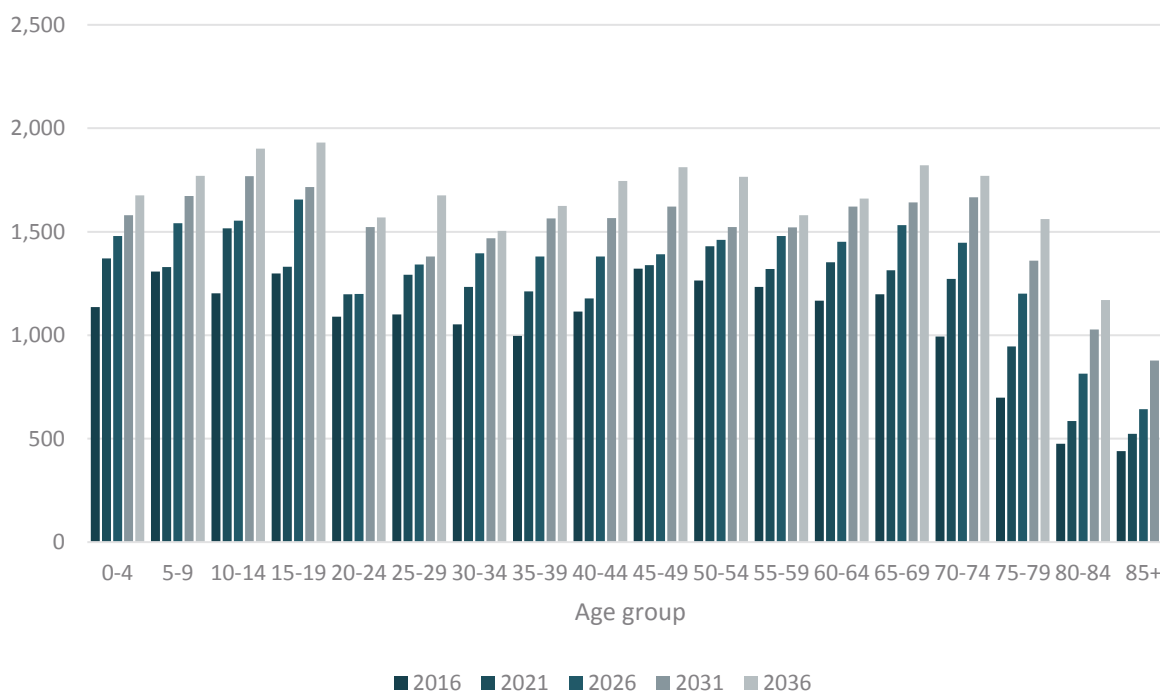
Population forecasts for Warragul are seen in the following tables.

Table 10: Forecast population to 2036

| SA2 | 2016 | 2021 | 2026 | 2031 | 2036 |
|----------|--------|--------|--------|--------|--------|
| Warragul | 19,088 | 21,744 | 24,349 | 27,100 | 29,700 |

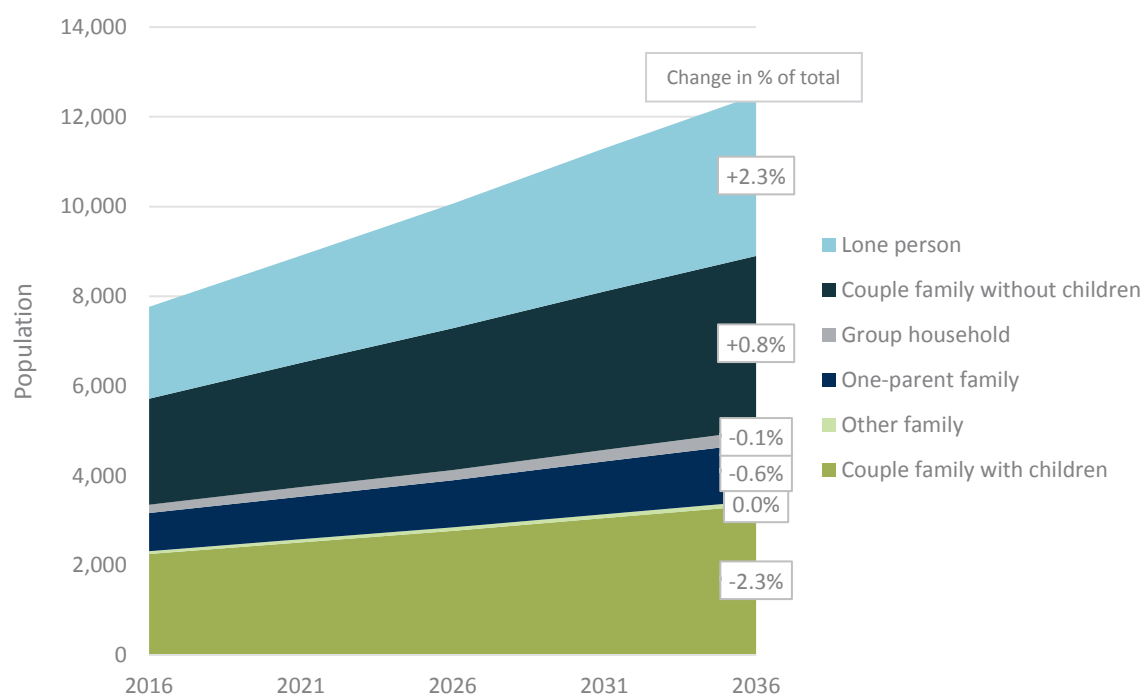
Source: Victoria in Future 2019 Population and Household Projections, Estimated Resident Population

Figure 16: Estimated resident population projection



Source: Victoria in Future 2019 Population and Household Projections, Estimated Resident Population

Figure 17: Estimated households by household type projection



Source: Victoria in Future 2019 Population and Household Projections, Households by Household Type

B.4 Education, employment and income

Education

Analysis of the qualifications of the population in Warragul in 2016 compared to Victoria shows that there was a lower proportion of people holding formal qualifications (Bachelor or higher degree; Advanced Diploma or Diploma; or Vocational qualifications), and a higher proportion of people with no formal qualifications.

Overall, 47.4% of the population aged 15 and over held educational qualifications, and 41.7% had no qualifications, compared with 50.4% and 39.6% respectively for Victoria.

Compared to Victoria, that there was a higher proportion of people who had left school at an early level (Year 10 or less) and a lower proportion of people who completed Year 12 or equivalent.

In Warragul in 2016, 29.4% of people were attending an educational institution. Of these, 875 (15.9%) were studying in a tertiary or technical institution (this is compared to 769 or 16.2% in 2011). This indicates that there is not as much growth in tertiary students compared to overall student growth.

Employment

The size of Warragul's labour force in 2016 was 8,830, of which 3,015 were employed part-time and 4,832 were employed full time. 47.1% of the population of Warragul was in the labour force in 2016; of these, 92% or 4,983 persons were above the age of 18.

Overall, 94.6% of the labour force was employed and 5.4% unemployed, compared with 93.4% and 6.6% respectively for Victoria. A snapshot of employment in Warragul is seen in Table 11.

Table 11: Employment snapshot

| | Warragul | Victoria |
|---|----------|----------|
| Median weekly incomes (\$) | | |
| Personal | 597 | 644 |
| Family | 1,523 | 1,715 |
| Household | 1,211 | 1,419 |
| Employment (%) | | |
| Worked full-time | 54.7 | 57.0 |
| Worked part-time | 34.1 | 31.4 |
| Away from work | 5.7 | 4.9 |
| Unemployed | 5.4 | 6.6 |
| Unpaid work (%) | | |
| Did unpaid domestic work (last week) | 72.5 | 68.4 |
| Cared for child/children (last two weeks) | 28.7 | 27.4 |
| Provided unpaid assistance to a person with a disability (last two weeks) | 12.5 | 11.6 |
| Did voluntary work through an organisation or group (last 12 months) | 24.8 | 19.2 |

Source: ABS Census, 2016

An analysis of the jobs held by the resident population in Warragul in 2016 shows the three most popular industry sectors were:

- Health Care and Social Assistance (886 people or 12.8%)
- Education and Training (837 people or 12.1%)

- Construction (740 people or 10.7%)

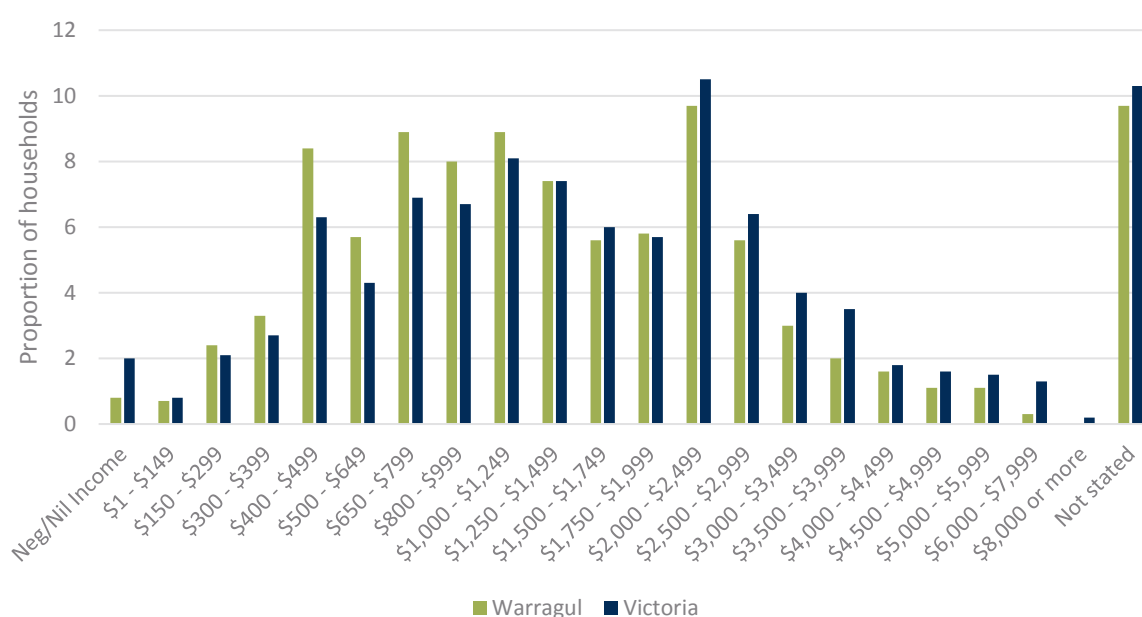
In combination, these three industries employed 2,463 people in total or 35.6% of the total employed resident population. Compared to Victoria, Warragul had a larger proportion of persons employed in education and training (12.1% compared to 8.6%), as well as a larger percentage of persons employed in agriculture, forestry, fishing and construction.

The number of employed people in Warragul increased by 648 between 2011 and 2016. The largest changes in the jobs held by the resident population between 2011 and 2016 in Warragul were for those employed in Education and Training (+151 persons), Agriculture, Forestry and Fishing (+84 persons), Health Care and Social Assistance (+74 persons) and Accommodation and Food Services (+72 persons).

Income

Analysis of household income levels in Warragul in 2016 compared to Victoria shows that there was a smaller proportion of high-income households (those earning \$2,500 per week or more) and a higher proportion of low-income households (those earning less than \$650 per week).

Figure 18: Median weekly household income



Source: ABS Census, TableBuilder 2016

In Warragul, 8.6% of the population earned a personal income of \$1,750 or more per week in 2016, compared to 10.8% in Victoria. Overall, Warragul has a lower income compared to the state of Victoria.

Welfare recipient numbers for Warragul are seen in Table 12 which show an increase in the proportion of the population who receive Newstart Allowance, Single Parenting Payment and Youth Allowance payments.

Table 12: Selected Government Pensions and Allowances

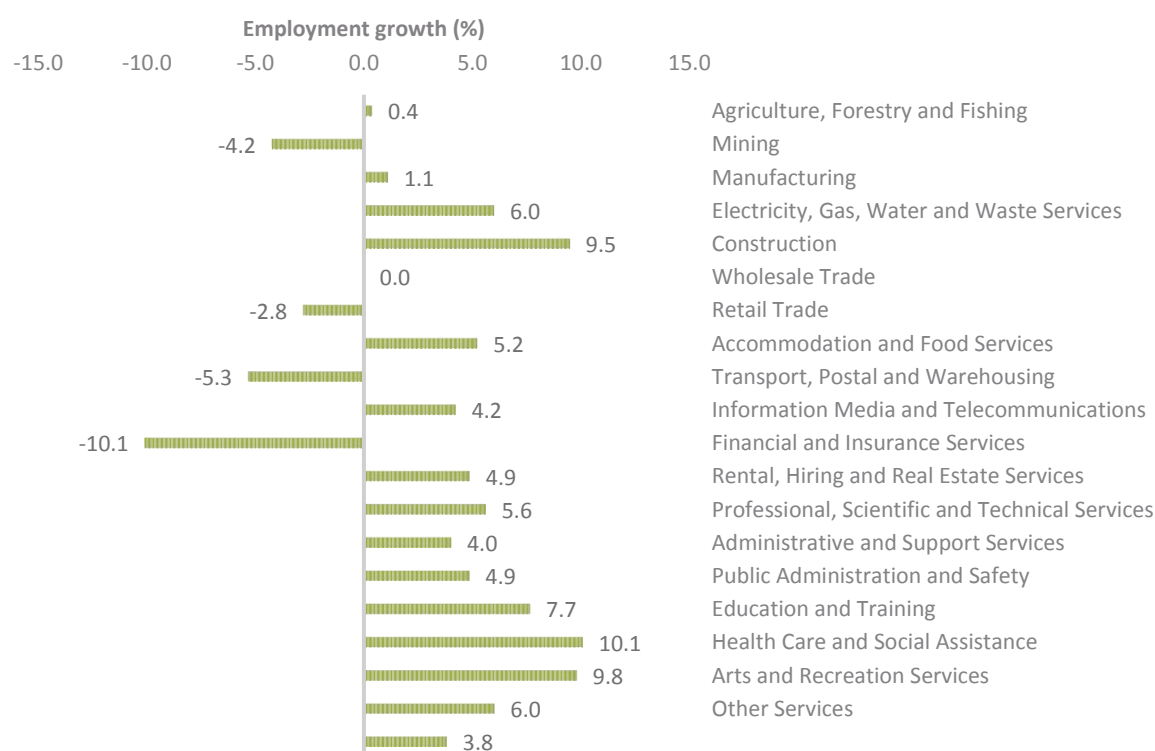
| | 2017 | 2018 |
|----------------------------------|-------|-------|
| Age Pension - Centrelink (no.) | 2 533 | 2 540 |
| Carer Payment (no.) | 198 | 207 |
| Disability Support Pension (no.) | 744 | 740 |

| | | |
|--|-------|-------|
| Newstart Allowance (no.) | 528 | 563 |
| Parenting Payment - Single (no.) | 188 | 210 |
| Youth Allowance (Full time students/apprentices) (no.) | 111 | 140 |
| Youth Allowance (Other) (no.) | 100 | 77 |
| Family Tax Benefit A (no.) | 1 268 | 1 266 |
| Family Tax Benefit B (no.) | 1 004 | 997 |
| Carer Allowance (no.) | 568 | 563 |
| Parenting Payment - Partnered (no.) | 70 | 57 |
| Commonwealth Rent Assistance (no.) | 1 154 | 1 123 |

Source: ABS Regional Data Summary

B.4.1 Forecast employment

Figure 19: La Trobe – Gippsland Projected employment growth - five years to May 2023



Source: Department of Employment, Skills, Small and Family Business, Labour Market Information Portal, 2018 Employment Projections

B.5 Housing

Table 13: Housing snapshot

| | Warragul | Victoria |
|--|----------|----------|
| Number of Bedrooms (% of occupied private dwellings) | | |
| 1 | 1.5 | 5.1 |
| 2 | 16.3 | 19.3 |
| 3 | 43.7 | 44.0 |
| 4+ | 35.7 | 28.8 |

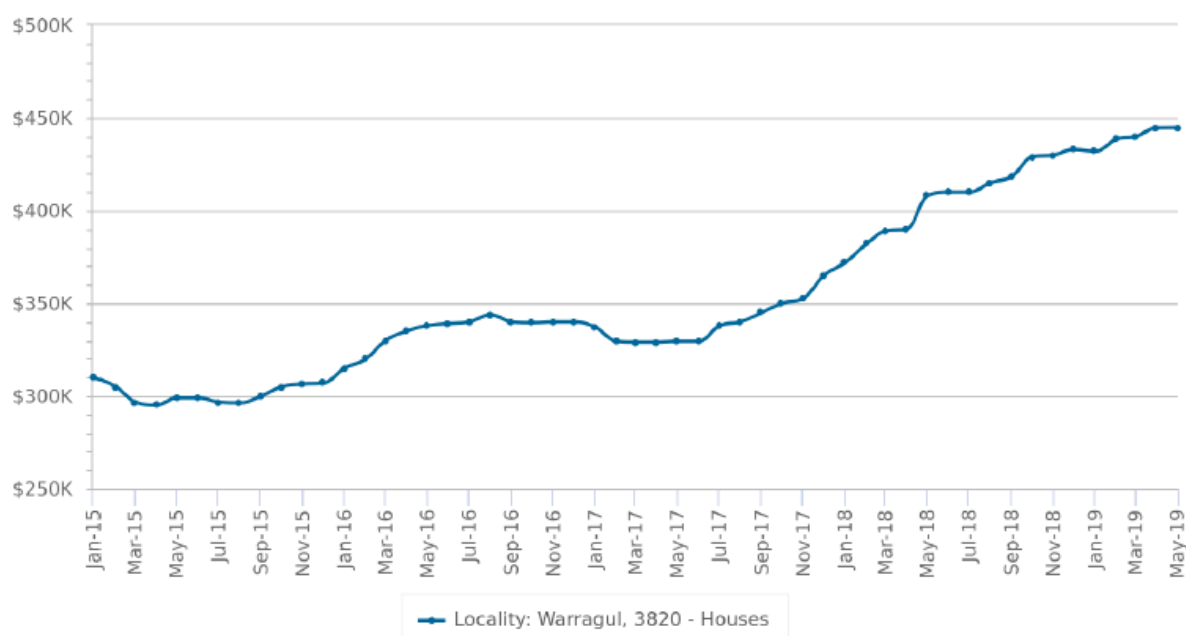
| | Warragul | Victoria |
|--|----------|----------|
| Tenure (% of occupied private dwellings) | | |
| Owned outright | 38.7 | 32.3 |
| Owned with a mortgage | 35.6 | 35.5 |
| Rented | 21.8 | 28.7 |
| Other/not stated | 3.9 | 3.6 |
| Landlord type (% of households renting) | | |
| Real estate agent | 57.9% | 67.0% |
| State or territory housing authority | 12.8% | 8.5% |
| Person not in the same household-parent/other relative | 10.0% | 6.2% |
| Person not in the same household-other person | 14.1% | 12.2% |
| Other/not stated | 5.5% | 6.1% |

Source: ABS Census, TableBuilder 2016

Warragul is characterised by a greater portion of larger sized dwellings (4+ bedrooms), a greater proportion of homeowners and more vehicles per household. In Warragul, of all households, 71.5% were family households, 26.2% were single person households and 2.3% were group households.

In 2016, 21.8% of homes were rented compared with 24.3% in 2011, indicating that more people are own or are purchasing houses. The median house price in Warragul is \$444,850 (May 2019), up from \$408,000 at the same time in 2018 (CoreLogic, RPData, 2019). Sales data for the suburb of Warragul (3820) is seen in Figure 20.

Figure 20: Median sales price - Houses



Source: CoreLogic, RPData, 2019

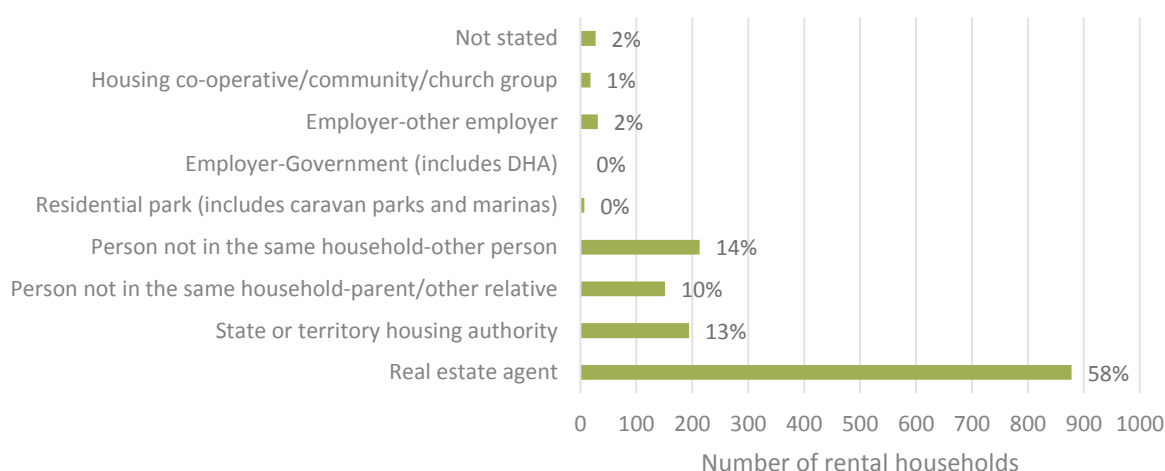
Median sales prices for homes have increased substantially over the past three years, indicative of a historical trend of housing costs in regional Victoria. A summary of housing in regional Victoria is provided by ANZ-CoreLogic:

*'To December 2018, dwelling values in regional Victoria were still rising faster than household incomes, leading to declines in affordability. While the cost of owning a home has continued to rise in regional Victoria, renters are spending a similar share of their income to those in Melbourne. The longer-term trend in worsening affordability is due to dwelling values rising by 65.2% over the past decade and they continue to rise, while household incomes have increased by a much lower 39.8%.'*¹⁰

In Baw Baw (Statistical Area Level 3) it takes 9.1 years on average to save a 20% deposit (based on saving 15% of household income), compared to 7.6 years across regional Victoria.¹¹ In the Baw Baw SA3 area, 29.1% of household income is required to rent a home, compared to 27.4% across regional Victoria.¹² As of December 2018, 37.1% of household income is required to service an 80% LVR mortgage in Baw Baw compared to 30.7% across regional Victoria.¹³ Overall, the ANC-CoreLogic indicates that in the Baw Baw SA3, housing is less affordable for its residents compared to regional Victoria's average.

The number of households that rented from a state housing authority in 2016 in Warragul was 194, or 13% of total rental households. This is higher than Victoria where 8% of households rented from a state housing authority. The landlord type of rental households is seen in Figure 1.

Figure 21: Landlord type



Source: ABS Census, TableBuilder 2016

The Victoria in Future 2019 population and household projections indicate that the number of persons in non-private dwellings in Baw Baw SA3 is expected to increase from 177 in 2016 to 335 in 2036.¹⁴

A very small portion of the population of Baw Baw are currently experiencing homelessness. Estimated homelessness data available from the ABS is only collected at an SA3 level.

¹⁰ ANZ-CoreLogic Housing Affordability Report, June 2019, p. 16

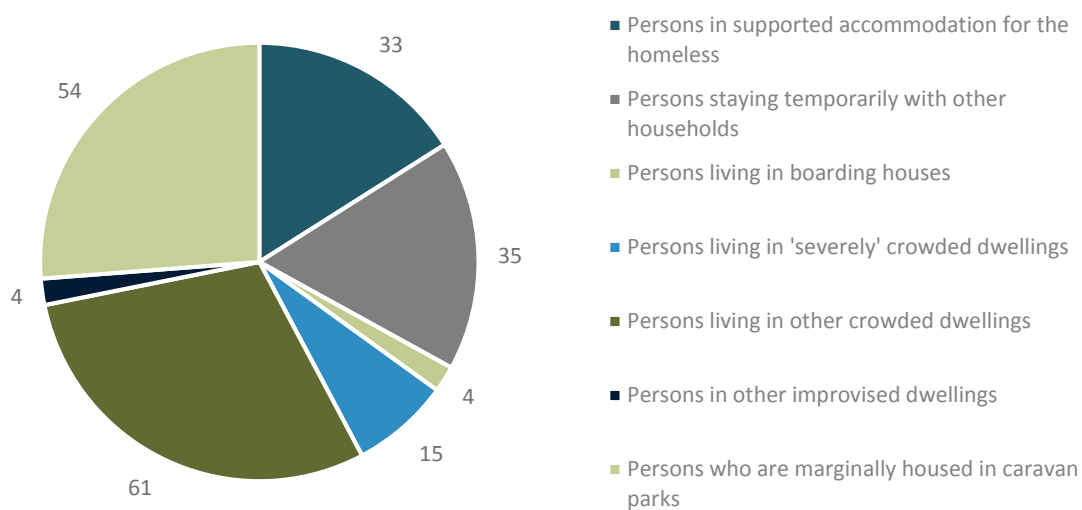
¹¹ Ibid.

¹² Ibid.

¹³ Ibid.

¹⁴ Victoria in Future 2019

Figure 22: Homelessness Operational Groups (number of people) – Baw Baw SA3

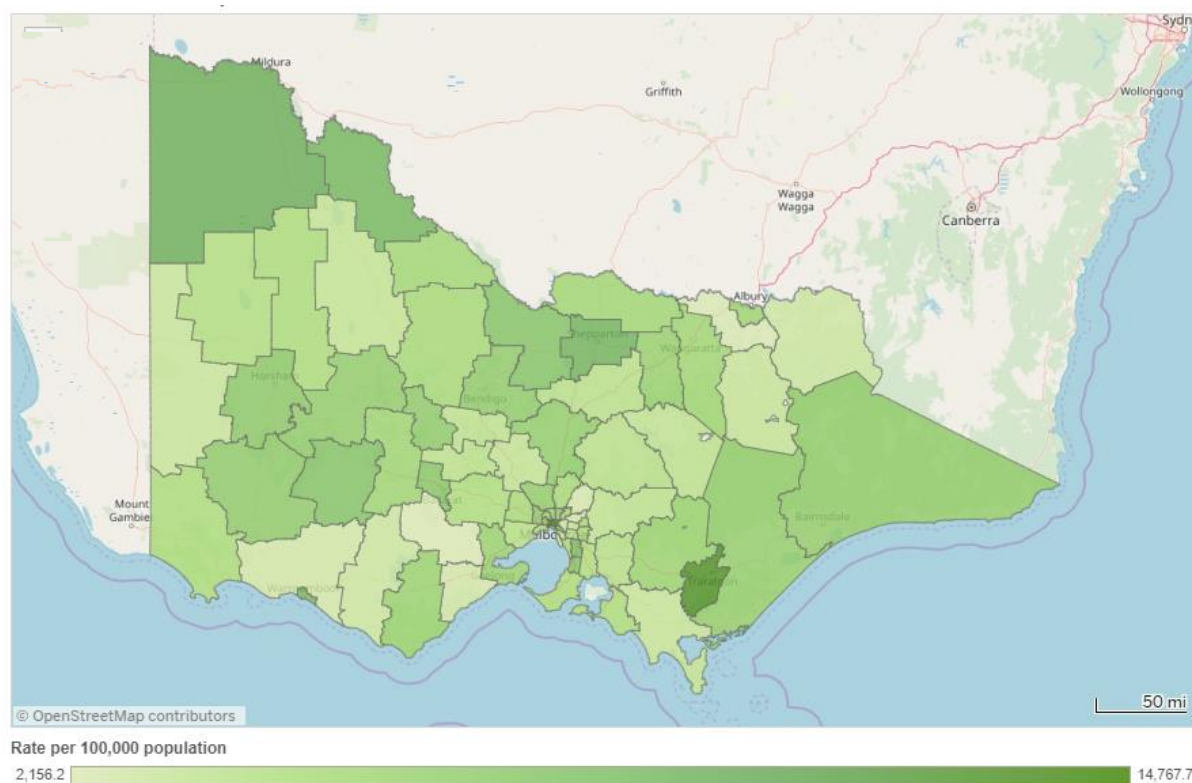


Source: ABS Census, TableBuilder 2016

B.6 Crime

Crime statistics for the Warragul area are made available by the Victorian Crime Statistics Agency, which gathers data at an LGA level. Therefore, crime data is shown for Baw Baw LGA. As seen in Figure 23, Baw Baw experienced a moderate level of criminal incidents compared to Victoria.

Figure 23: Criminal incident map



Source: Crime Statistics Agency, 2019

Itemized criminal offence data for 2014 to 2019 is seen in Table 14.

Table 14: Criminal offence – Baw Baw LGA

| Offence Division | Offence Subdivision | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--------------------------------------|---|------|------|------|------|------|------|
| A Crimes against the person | A20 Assault and related offences | 120 | 137 | 149 | 133 | 168 | 154 |
| | A50 Robbery | 1 | 11 | 4 | 2 | 3 | 3 |
| | A70 Stalking, harassment and threatening behaviour | 65 | 57 | 62 | 53 | 61 | 63 |
| | A80 Dangerous and negligent acts endangering people | 15 | 10 | 9 | 22 | 35 | 11 |
| | Other crimes against the person | 45 | 93 | 54 | 48 | 67 | 61 |
| | Total | 246 | 308 | 278 | 258 | 334 | 292 |
| B Property and deception offences | B10 Arson | 16 | 11 | 8 | 6 | 10 | 11 |
| | B20 Property damage | 158 | 148 | 122 | 156 | 112 | 157 |
| | B30 Burglary/Break and enter | 102 | 51 | 112 | 99 | 100 | 88 |
| | B40 Theft | 246 | 307 | 378 | 490 | 480 | 449 |
| | B50 Deception | 32 | 73 | 65 | 70 | 67 | 88 |
| | Total | 554 | 590 | 685 | 821 | 770 | 793 |
| C Drug offences | C10 Drug dealing and trafficking | 13 | 34 | 58 | 21 | 14 | 23 |
| | C20 Cultivate or manufacture drugs | 3 | 5 | 4 | 5 | 3 | 1 |
| | C30 Drug use and possession | 63 | 86 | 100 | 114 | 63 | 69 |
| | Total | 79 | 125 | 162 | 141 | 80 | 94 |
| D Public order and security offences | D10 Weapons and explosives offences | 64 | 54 | 43 | 50 | 25 | 50 |
| | D20 Disorderly and offensive conduct | 136 | 116 | 64 | 47 | 57 | 52 |
| | D30 Public nuisance offences | 11 | 6 | 5 | 11 | 8 | 8 |
| | Total | 211 | 176 | 112 | 108 | 90 | 110 |
| E Justice procedures offences | E10 Justice procedures | 28 | 16 | 39 | 47 | 45 | 52 |
| | E20 Breaches of orders | 80 | 120 | 175 | 219 | 277 | 392 |
| | Total | 108 | 136 | 214 | 266 | 322 | 444 |
| F Other offences | F20 Transport regulation offences | 0 | 1 | 1 | 1 | 0 | 0 |
| | F30 Other regulatory offences | 6 | 2 | 5 | 5 | 2 | 1 |

| Offence Division | Offence Subdivision | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--------------------|----------------------------|-------|-------|-------|-------|-------|-------|
| | F90 Miscellaneous offences | 1 | 2 | 0 | 1 | 3 | 0 |
| | Total | 7 | 5 | 6 | 7 | 5 | 1 |
| Grand Total | Total | 1,205 | 1,340 | 1,457 | 1,601 | 1,601 | 1,734 |

Source: Crime Statistics Agency, 2019

Although levels of property and deception offences are below 2017 levels, these types of offences have been increasing since 2014. Theft and breaches of orders are the offence subdivisions which have the greatest number of offences (449 and 392 respectively).

APPENDIX C: ASSESSMENT METHODOLOGY

C.1 Impact assessment framework

The impact assessment presented in this report identifies and evaluates changes to existing social conditions due to the project. This includes the assessment of direct and indirect benefits and effects/impacts, as well as consideration of any cumulative impacts.

Figure C1 reflects the assessment process that was undertaken to determine the overall significance of impacts. The following sections outline the criteria that underpin each of the assessment components that contribute to the assessment framework. Professional judgement and experience is applied on a case-by-case basis to identify the significance of impact on the social environment.

Figure C1: Impact assessment framework

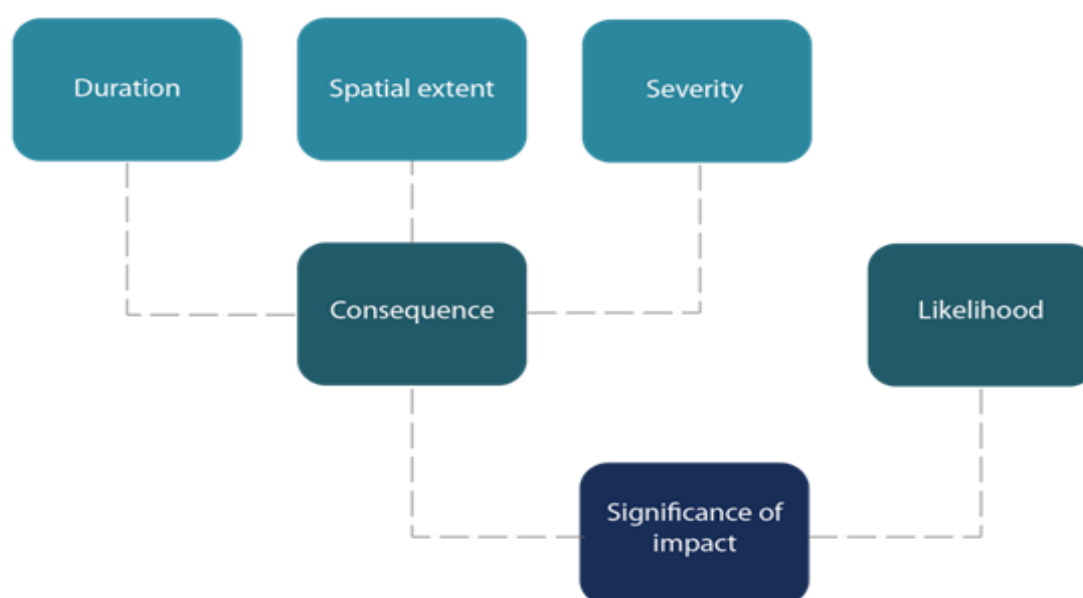


Table C2 below outlines the criteria for defining duration, spatial and severity outcomes and Table C3 identifies the overall the level of impact rating which is comprised of multiple combinations of duration, spatial and severity outcomes.

Table C15: Criteria for determining the significance of impact

| Impact | Duration | Impact | Spatial extent | Impact | Severity of impact |
|-------------|---|-----------------|---|------------|--|
| Short term | Less than one year Low frequency | Direct Property | Individual/household | Negligible | No discernible positive or negative changes to baseline conditions |
| Medium term | One to six years Medium intermittent frequency | Locality | Small number of households | Small | Minimal positive or negative changes to baseline conditions |
| Long term | Less than six years Consistent frequency | Suburb/Town | Large part of/ whole community Suburb as defined by ABS | Medium | Moderate positive or negative changes to baseline conditions |

| | | | |
|---------------------|----------------------------------|--------------|---|
| Municipality | Local Government area or greater | Large | Major positive or negative change to baseline conditions Government |
|---------------------|----------------------------------|--------------|---|

Table C16: Level of impact

| Category | Significance |
|-------------------|---|
| Negligible | No discernible positive or negative changes to baseline condition. |
| Slight | Small change to baseline condition, generally short or short-medium term, confined to a locality or suburb and are able to be mitigated or enhanced. |
| Moderate | Medium change to baseline condition that may be short, medium, or long term. The spatial extent may vary, however impacts would usually respond to mitigation or enhancement. |
| Major | Large change to baseline condition usually resulting in medium to long-term effects. Spatial extent is generally at a LGA or regional level with the potential for substantial effects on the social or economic environment. Negative impacts would require extensive mitigation. |

Likelihood of impact

The significance of which potential social impacts and benefits would occur as a result of the proposal is assessed by comparing the level of impact (low, moderate and high) against the likelihood of impact occurring. The likelihood criteria used for the assessment is identified in Table C4.

Table C17: Likelihood of impact

| Likelihood | Description | Probability |
|---------------------|--------------------------------------|-------------|
| Near certain | Expected to occur, almost frequently | 90 percent |
| High | Could occur in many instances | 70 percent |
| Possible | Just as likely to happen as not | 50 percent |
| Low | Very limited occurrence | 30 percent |

Significance of impact

Table C5 identifies the risk assessment matrix used to determine levels of risk from the likelihood (identified in) and consequence ratings.

Table C18: Significance of impact

| Consequence ratings | | | | | |
|---------------------|-----------------|------------|------------|----------|----------|
| Likelihood rating | | Neutral | Slight | Moderate | Major |
| | Rare | Negligible | Negligible | Minor | Moderate |
| | Low | Negligible | Negligible | Minor | Moderate |
| | Possible | Negligible | Minor | Moderate | Moderate |
| | High likelihood | Minor | Minor | Moderate | Major |
| | Near certain | Minor | Moderate | Major | Major |

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MELBOURNE

Suite 114, 838 Collins Street

Docklands VIC 3008

t: +61 3 9629 1842

f: +61 3 9629 6315

e: melbourne@hillpda.com

SYDNEY

Level 3, 234 George Street

Sydney NSW 2000

GPO Box 2748 Sydney NSW 2001

t: +61 2 9252 8777

f: +61 2 9252 6077

e: sydney@hillpda.com

WWW.HILLPDA.COM

