

THE POKIES PLAY YOU

Alliance calls for City of Melton to reject \$9m Essendon pokies lease

Monday, December 10, 2018

The Alliance for Gambling Reform today called for Melton to reject tonight's proposed \$9 million pokies joint venture with Essendon FC and instead force the Bombers to join the current AFL pokies divestment push.

The [9 City of Melton councillors](#) will gather at 7pm tonight (see [agenda](#)) at the Melton Civic Centre (232 High St, Melton) and vote on whether to approve a [proposed 29 year lease](#) for Essendon to continue operating the council-owned [Melton Country Club](#) as a pokies venue through until 2047.

Alliance director, spokesman and Bombers supporter Tim Costello urged councillors to refuse the proposal and instead allow the current lease to expire in February 2022 to force Essendon to scale back its pokies business to a single site at Windy Hill, which is also regrettably on council-owned land in City of Moonee Valley.

"Tonight is an important moment for gambling reform because Australians are the world's biggest gamblers with \$24 billion in annual losses and pokies (including at casinos) contribute about \$14 billion to that figure, \$3.2 billion of which comes from Victorians," Mr Costello said.

"With a deluge of television advertising and kids getting increasingly addicted to the screen, the Australian community has never been more concerned about gambling and they want their elected representatives to do something about it. This is why AFL clubs such as Collingwood, Melbourne and the Western Bulldogs have all announced they are divesting their poker machines and why City of Melton should take this opportunity to force Essendon to do likewise."

"If the Melton councillors are brave and reject the [officer recommendation](#) to stay in the gambling business, it will have a powerful motivating impact on the reform movement, following on from the ground-breaking [new gambling policy](#) approved unanimously by Darebin councillors last Monday."

The Alliance believes the [Melton officer report](#) recommending the deal was disappointingly one-sided and is concerned Essendon has been given significant access to councillors and officers when opponents of the proposal have not, despite requests for an opportunity to present.

For instance, [the officer report](#) ignores the following key facts:

As the Victorian Responsible Gambling Foundation [notes on its website](#), "reducing harm from gambling is mentioned as a strategic objective in Melton's 2017 municipal public health plan."

In 2017-18, Melton, which is one of [Melbourne's most disadvantaged communities](#), was targeted by the AFL industry and suffered \$27.7 million in AFL Club sponsored pokies losses at 3 venues, the most of any Victorian municipality. This was equivalent to 28.4% of the total \$97.54 million lost at the 17 Victorian AFL Club pokies venues in 2017-18. (See AFL pokies [fact sheet](#))

August 2018 saw the biggest monthly loss on the pokies ever in Melton when gamblers lost \$6.16 million and losses were up by 9.5% to [a record \\$67.8 million](#) in the 12 months to the end of October.

Melton is currently in the midst of Planning Scheme Amendment C182, an attempt to toughen its approach to pokies, which has been [objected to by Zahav Pty Ltd](#), the entity which has just recently bought 60 new pokies entitlements in Melton. Approving the new Bombers lease completely

contradicts the intentions and sentiment of the planning scheme amendment. ([see p436](#) of October 15 council meeting agenda for discussion on C182).

Over the past few months, there has been considerable media interest in the Melton-Essendon pokies issue, as follows:

[Back page of *The Age*](#)

[Tim Costello interview on ABC Melbourne](#)

[Herald Sun pokies ladder of shame](#)

[Star Weekly coverage on Essendon's pokies push in Melton](#)

[Bombers commit to reduced pokies revenue, *The Age*](#)

Melton Country Club has 89 pokies and generated losses from gamblers of \$5.685 million in 2017-18 - the lowest of the [7 pokies venues in Melton](#) which collectively [drained a record \\$67.8 million](#) from gamblers over the 12 months to the end of October.

Mr Costello said it is also worth noting that Melton has the strongest financials of any council in Victoria. Looking forward, the [2018-19 budget](#) projects rates and charges revenue of \$114 million and total revenue of \$263 million, largely thanks to developer contributions. A 2018-19 surplus of \$93 million is predicted and the council had record cash reserves of \$133 million as at June 30, 2018.

And looking back, the [2017-18 Melton annual report](#) disclosed a record operating surplus of \$168.5 million last financial year which was \$42.9 million up on the previous year and \$77.6 million above budget, 'due mainly to developer non-monetary contributions and Atherstone land sales.' (see [p17 of annual report](#)).

"Unlike its struggling community, City of Melton has so much cash from developers it doesn't need to make \$294,000 a year from an Essendon pokies venue located in a public park near the council's head office which is ripping \$5.68 million a year from the community," Mr Costello said.

"Melton is one of the fastest growing councils in Australia but also suffers considerable social disadvantage such as high levels of family violence, mortgage stress and crime, so council should not be adding to this problem by enabling pokies dens to operate in council venues."

"Melton needs more community facilities, so why not just rip out the pokies, say farewell to Essendon and convert the Melton Country Club into an alternative facility, such as a council-subsidised pokies free RSL and bowling club located in a public recreation zone."

"The Alliance will have a presence at tonight's council meeting and we very much hope the councillors will be brave in voting to protect vulnerable people in the Melton community, rather than taking money from the pokies industry and bending to the will of a powerful AFL club."

"It is disappointing that, unlike Essendon, we haven't had the opportunity to brief councillors. If there was an opportunity to do so before tonight's meeting, reformed gambler Anna Bardsley will be in attendance and available to discuss the proposal with councillors."

LINKS AND OTHER RELEVANT INFORMATION

[Item 12.3: Officer report on Essendon-Melton lease proposal \(starts p24\)](#)

[Item 12.4: report into possible sale of Melton Country Club \(starts p86\)](#)

[Draft lease proposing \\$9m-plus in payments to Melton by Essendon FC over 29 years](#)

[Melton web page](#) to lodge online questions for councillors to answer written questions tonight.

Details regarding [Essendon FC AGM](#) at Marvel Stadium on Monday, December 17, 2018.

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