Class 1 Local Impact Assessment for the Royal Hotel, Brewarrina

Address: 25-27 Bathurst St,

Brewarrina NSW 2839

LIQH109822

LGA: Brewarrina

LIA SUBMISSION

Prepared by Daniel McGirr, Lawyer McGirr Lawyers Suite 29, Level 7, 58 Pitt St Sydney NSW 2000 PH: (02) 9247 7471

Facsimile: (02) 9251 2414

Email: danielmcgirr@mcgirrlawyers.com

1. Executive Summary

- 1.1 This Class 1 Local Assessment accompanies an Application under the Gaming Machines Act 2001 ("Act") for a low range Gaming Machine threshold increase of 10 machines for the Royal Hotel, Brewarrina NSW ("the Hotel").
- 1.2 In accordance with sections 32 to 37 of the Gaming Machines Amendment Act 2008

 No 99, a submission follows with a Class 1 Local Impact Assessment detailing the

 benefits the Hotel will provide to the local community, as well as the range of harm

 minimisation and responsible gaming measures employed by the Hotel.
- 1.3 As such, a Class 1 Local Impact Assessment is submitted, requesting a poker machine threshold increase of 10 poker machines, which constitutes a low range increase according to this same Act. The Hotel currently holds 4 (four) approved entitlements for gaming machines and thus a threshold increase of 10 poker machines would bring this overall total to 14.
- 1.4 A copy of this Local Impact Assessment is available for public inspection at the Hotel during operating hours.
- 1.5 Section 2 describes the Hotel, its location and facilities.
- 1.6 Section 3 describes the local community of the Hotel which is situated in North West NSW in Local Government Area of Brewarrina.
- 1.7 Section 4 details the harm minimisation and responsible gambling measures of the Act and Gaming Machine Regulations 2002 ("the Regulations"), and the additional measures the Hotel undertakes in order to ensure that the risk of harm to individuals using gaming machines at the Hotel is minimised.
- 1.8 Section 5 details the positive contributions which are currently made by the Hotel, and which are anticipated will arise once the Application is approved in full: funding for local community groups, charitable donations, improved facilities for patrons, increase in employment and payment of additional government taxes.

- 1.9 Section 6 details the potential negative impacts upon the community.
- 1.10 Section 7 is the conclusion to the application.

2 The Hotel

- 2.1 The Hotel Premises are located at 25-27 Bathurst St, Brewarrina, NSW 2839 incorporated in the Brewarrina Local Government Area (LGA) classified as Band 2 by the Casino, Liquor and Gaming Control Authority, as part of the Gaming Machines Amendment Act 2008 No 99.
- 2.2 The Hotel opened in 1920 and is located in the Brewarrina City Council. The Hotel is located in the main street alongside local businesses and is not in the immediate vicinity of a school, place of worship or hospital. Attached hereto and marked "A" is a map of where the Hotel is located.
- 2.3 The Hotel was purchased by the current owner and applicant in 2006 and is leased to the present tenant who has been running the business for approximately 3 years.
- 2.4 The Hotel currently has 2 Casual Staff.
- 2.5 Opening Hours are as follows:

Monday – Wednesday	10.00am – 11pm
Thursday - Saturday	10.00am - Midnight
Sunday	Closed

- 2.6 The ground floor facilities of the Hotel comprise: a public bar, lounge bar, bistro area, dining area, TAB and gaming area. The upstairs of the Hotel provides accommodation and has 9 letting rooms which consist of spacious one and two bedroom rooms.
- 2.7 The hotel provides Entertainment with a Duke Box, and has 15 dedicated parking spaces available.

- 2.8 The Hotel is not located near any places of worship, schools or hospitals.
- 2.9 The hotel utilises the available floor area as follows:
 - Back Bar- 20 m2;
 - Main Bar, 30 sqm;
 - Dining 30 sqm; and
 - Courtyard 35sqm.
- 2.10 The Poker Machines are presently situated in the main bar area.

3 The Local Community

- 3.1 Brewarrina has a population of 1,766 people.
- 3.2 The community consists of farmers, public sector workers and private sector workers.
- 3.3 Brewarrina has 2 hotels in the township. The other Hotel has no poker machines.
- 3.4 On the weekends the Hotel's patrons largely come from those affiliated with local sporting teams, farms, offices and locals and are an even male/female mix with increased numbers of family groups.
- 3.5 The number of tourists visiting the township of Brewarrina is extensive with the Culgoa National Park a popular tourist attraction as well as the Brewarrina Indigenous and aboriginal cultural museum. The Hotel is looking to increase their patronage in conjunction with these tourist attractions to make the economy of the community more viable.
- 3.6 The Hotel has strong local ties with the community and the local business community and lends their support wherever necessary.

- 3.7 The Hotel has the view of in the future to provide much needed sponsorship and support for community groups currently providing rooms in the hotel for use for schools and club meetings free of charge.
- 3.8 The growth and sustainability of the Hotel depends on additional income which will benefit both the Hotel and the community by engaging additional employees and greater community funding. The provision of 10 poker machines will provide positive community benefits if approved.

4 Harm Minimisation and responsible Gambling Measures

- 4.1 To provide a responsible environment for gambling as well as minimising the risk of patron harm, the hotel complies with the policies and guidelines of the AHA (NSW) and is a member of the AHA (Centre Care) Gambling Counselling program.
- 4.2 The Applicant's gaming machine operation is in strict accordance with legislated and optional responsible gambling measures and is considered best practice in this area. A copy of the McGirr Family Hotels House Policy on the responsible conduct of gambling is included. This House Policy is a policy implemented by numerous hotels throughout New South Wales. Attached hereto and marked "B" is a copy of the House Policy.
- 4.3 The Hotel complies with the Act and the regulations, and harm minimisation strategies include:
 - i. All employees involved in gaming related duties hold a responsible conduct of gambling qualification in an approved course.
 - ii. No minors are ever allowed access to the gaming areas of the Venue.
 - iii. Strong links are maintained with established referral systems, problem gambling counselling services.
 - iv. The venue has adopted a self-exclusion scheme. Appropriate staff training has ensured that staff knows when to talk to patrons about self-exclusion and how to process their request. As part of this scheme, the Club:
 - a. The club or an employee cannot refuse a participant's request to participate in the scheme.

- b. On receipt of a request, the Duty Manager will explain the process to the person and present the relevant documentation.
- c. Allows a participant to obtain independent legal or professional advice, at the participant's expense, before signing the appropriate forms as to the meaning and effect of the undertaking.
- d. Ensures that all participants sign a written undertaking not to gamble in the venue which clearly states the period of exclusion. Furthermore, the venue does not allow a participant to withdraw from the undertaking without the consent of all controls such as, G-Line and Mission Australia, Singleton, who will ensure the participant, undergoes a rigorous assessment process to ascertain the progress the person has made in managing their gambling problems.
- e. The venue employs a minimum three month exclusion period.
- f. Ensures all appropriate information about gambling related counseling and treatment services are displayed and available to patrons, on relevant signage and in brochures within the venue.
- g. Ensures staff is equipped to identify participants by displaying a recent photograph in areas accessible only to gaming staff as well as a folder with the details of all participants in it. The importance of identifying participants is emphasised in staff training.
- h. Displays signs in the gaming area advertising the accessibility of the selfexclusion scheme.
- v. Consumer information on the chance of winning maximum prizes is made available in the gaming area.
- vi. Gaming machine notices on the dangers of excessive gambling are placed in all required areas.
- vii. Signage of the unavailability of credit facilities, both through access to credit funds, via automatic teller machines and through no facility at the Venue.
- viii. That the Applicant does not cash cheques.
 - ix. No inducements are offered to gamble at the Venue.
 - x. No cashing of third party cheques is possible.
 - xi. Clocks are clearly visible in all areas of the Venue.
- xii. No cash payments over \$2,000 are made.

- xiii. No cash prizes in gaming promotions.
- xiv. Limiting the value of prize-winning cheques to \$1,000.
- xv. The Applicant has also implemented additional measures to ensure compliance with recent amendments to the *Gaming Machines Act 2001* and associated Regulation. This includes:
 - a. No ATM in the venue permits the dispensing of cash withdrawn from a credit account.
 - b. The Applicant is a member of the Australian Hotels Association and has adopted its Best Practice Guidelines and Policies; as such the Applicant goes beyond compliance with current legislation.

5 Anticipated Positive Contributions

- If the Application is approved in full, The Hotel, will pending approval of this application, contribute a further \$1,100 per machine per year for 2 years equalling a potential \$20,000 Maximum Contribution to the Charities/Groups within Brewarrina as outlined below. This will be a Pro Rata basis from install date re: Time and Quantity Installed.
- 5.2 The Hotel has selected the following organisation/charities:
 - i. The Brotherhood of the Good Shepherd. This is a benevolent charity trust specifically set up to support charity works in western NSW. This charity conducts numerous works in Brewarrina focusing on community based support for treatment and education relating to alcohol misuse and problem gambling. The charity has agreed, in writing, to accept our donation and undertakes that the monies will be spent on the works they do solely in the community of Brewarrina. Attached hereto and marked "C" is a copy of the correspondence between the solicitor's applicant and their acceptance of such donation.
 - ii. Gainmara Birrilee Preschool, Brewarrina. This is a community based preschool and after school care group. The preschool is in much need of further funds for equipment and furniture to ensure that they remain viable as

a much needed centre for many families in the area. Attached hereto and marked "D" is a copy of the correspondence between the solicitor's applicant and their acceptance of such donation.

5.3 Donations from the hotel

The Hotel is an active supporter of the local community in all facets. The Hotel donates cash, prizes, food vouchers and time and effort to the following community programs and businesses:

- Gainmara Birrilee Preschool;
- Granny patrol, which is a Police run patrol in the community. The Hotel gives donations, drinks refreshments and vouchers for the Hotel;
- St Patricks Primary School- provides vouchers, helps fund raising, prizes etc.
- Sponsor Local golfing events by way of prizes, vouchers etc.

5.4 Increased Spend on Community Grants

There are approximately 4 schools and 1 preschool, 1 infants department and 1 Technical College in the Brewarrina Shire, which the Hotel has begun supporting and will continue to support with a monetary funding as well as the free use of the Hotel facilities when requested. The projected increase in revenue from the 10 poker machines would provide the Hotel with the means to further increase and maintain community expenditure in order to support the local community.

Any further increases expected by the gaming machines, will have a positive effect on the community of Brewarrina, who already obviously benefit greatly from the Hotel's support.

5.4 Competitive Pricing of the Hotel's Services

The sustaining of competitive pricing for the Hotel's services is a real expectation with the provision of the gaming machines. This would include all aspects of the Hotels operations, facilities and services for the benefits of Patrons.

This would apply to all areas, including food, beverage services and functions. It is important to note that all members of the community who utilise these services and not just gaming machine players would receive these benefits. For example, many schools, community organisations and local business utilise our facilities for their functions and many families in the community frequent our dining facilities.

5.5 Increased Employment Opportunities

With the opportunity for the Hotel's further refurbishment, there is a real prospect for additional local employment opportunities. Additional employees are expected along with community funding increases. To further define this, the provision of poker machines would necessitate additional staff to cover the expected increase in demand for food, beverages, payouts and general customer service on the gaming floor. The 10 Gaming Machines applied for, have the potential to generate additional net revenue, thus the expectation is that staff and wages would increase exponentially on approval of this application.

This addition of gaming machines would also provide increased opportunities for employment for both internal employees and external businesses. With 10 poker machines, additional furniture, stools and signage are just a small portion of the changes required to the Floor area in the implementation phase. Furthermore, the projected increase in revenue provided by the poker machines foresee accelerated plans for additional facilities within the Hotel, which would result in further increases in employment, both directly and indirectly.

Any increase in employment would be extremely beneficial within the Brewarrina LGA, particularly in the current economic climate where the anticipated unemployment rate expects to rise steadily.

Given all the staff are drawn from our local community; a further benefit will be to keep additional funds local to the region.

5.6 Increase Economic Activity in the Local Region

The projected increased revenue from the addition of the gaming machines is expected to allow greater proliferation of the Hotel's services and entertainment mix and thus attract visitors from outside the region, which will create further revenue injections into the community. A more attractive entertainment and gaming venue may potentially limit Brewarrina residents from visiting venues outside the area, keeping their funds within the Brewarrina community.

5.7 High Standard of facilities

The Hotel is in much need of a makeover and any additional funds to be derived from the projected increase in revenue will go towards maintenance and repair on the historical building. Any works on the building will be to beautify the building for the community and the main street.

5.8 Increased Taxes to Benefit New South Wales

The increase in the number of poker machines at the Hotel will lead to an increase in:

- a) Gaming tax from increased revenue;
- b) Payroll tax from increased wages paid;
- c) Stamp duty from the purchase or transfer of the additional poker machine; entitlements or permits.

5.9 Increased taxes to and benefits for the Federal Government

The increase in the number of poker machines at the Hotel will lead to an increase in:

- a) GST from increased gaming revenue and machine purchases;
- b) income tax payable by the Hotel;
- c) PAYG attributable to additional employees and reduced welfare payments to employees whim may have been formerly employed.

Such taxes could be reasonably be expected to be used by government for the benefit of the State as a whole including the local and broader communities.

5.10 Overall Poker Machine Reduction

To gain an increase of 10 poker machines, the hotel would be required to purchase or transfer 15 gaming entitlements and relinquish 5 entitlements to the NSW State Government to dispose of. This would lead to overall decrease state-wide of 5 poker machines.

Positive outcomes for NSW and specifically the Brewarrina community are the expected increase in employment opportunities both directly and indirectly as a result. The Hotel's employment prospects may extend to 2-4 additional positions, with the overall allocation of wages within the Hotel potentially increasing when the increased allocation is operational.

The projected annual net profit from the 10 poker machines, would allow the Hotel to assist in maintaining its current affordable pricing levels and in managing its debts associated with the business.

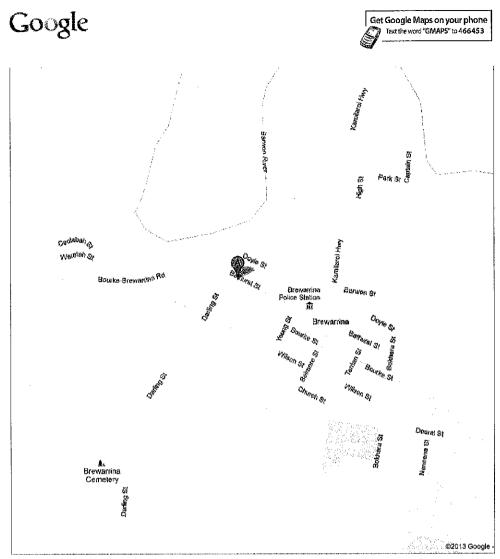
6 Potential negative effect

- On the basis that additional machines at the Hotel will allow additional opportunity to play gaming machines, it is anticipated that there will be additional amounts wagered on machines at the Hotel. However, this opportunity will be sought by additional players, and not by existing players. Upon present analysis of the use of the machines at the Hotel it is evident that players are unable to use a machine during peak times. Due to the small number of machines, currently 4, in the Hotel it is often requested by members of the public that more machines are required.
- 6.2 Through the use of the Hotel's harm minimisation measures ensuring that gambling activities are conducted responsibly and in accordance with the Acts and regulations the positive contribution to much sought after charity and social work and community opportunity far outweigh the negative impact this minor increase in gaming machines will have.

7 Conclusion

- 7.1 This LIA Submission identifies numerous positive impacts that the local community of Brewarrina will benefit from as well as the local government area and also the state of New South Wales. Should this application not be granted then these benefits will not flow to the local community and New South Wales.
- 7.2 When the Application is considered it may properly be concluded that together with the harm minimisation measures and problem gambling initiatives in place at the Hotel that the granting of the application will have a positive contribution to society both local, state and generally.

Annexure "A"



A. Brewarrina Motel 25-27 Bathurst St, Brewarrina NSW 2839, Australia +61 2 6839 2283

Annexure "B"

McGIRR FAMILY HOTELS

House Policy: Responsible Gambling

CODE OF PRACTICE

It is the policy of all McGirr Family Hotels not to allow patrons to be harmed by gambling

Our policy is clear – If a patron has a gambling problem he must not be, on our premises, allowed to gamble.

- Staff are to ensure that there is a minimum harm associated with the misuse and abuse of all gaming devices upon Hotel premises
- Staff must foster responsible conduct of gambling activities and must ensure that patrons are not gambling to a level which appears to be beyond their means and are not borrowing money or obtaining credit from any persons including the hotel and its staff to enable such gambling activities to occur.
- Staff must strictly ensure that no credit or Eftpos facilities are available in the vicinity of gaming devices.
- Staff will ensure that the Hotel gaming Code of Conduct is abided by at all times.

HOTEL GAMING CODE OF CONDUCT

The Hotel agrees that it will:

- 1. Abide by all Acts and Regulations applicable to the delivery of gaming in the State of New South Wales and promote the spirit of legislation passed by the NSW Parliament.
- 2. Ensure that gaming machine play is conducted as an ancillary activity to a range of traditional hospitality services.
- 3. Assist patrons to whom gaming machine play presents problems by providing a venue self-exclusion program, and direct those patrons in need to appropriate support services including counselling.
- 4. Conduct business in a manner that precludes persons who may (a) indicate signs of intoxication and/or (b) are known to be self-exclusion participants.
- 5. Prohibit any form of patron credit being available for gaming machine play.
- 6. Encourage patrons with large collects to have a cooling-off period and take payment by cheque.
- 7. Work with the State Government to progress the orderly and responsible delivery of gaming to the NSW public.
- 8. Support the local community as part of its commitment to the provision of responsible gaming.
- 9. Ensure that all staff who work in gaming rooms complete an accredited Responsible Service of Gaming Course and Responsible Service of Alcohol Course.
- 10. Clearly mark machines that are unplayable to avoid customer confusion and disappointment.
- 11. Support the Code in respect of disputes and co-operate with the independent complaint procedure.

Our policy is very clear - we want all patrons to enjoy themselves.

Annexure "C"

McGirr Lawyers ABN 90 890 791 093

Incorporating McGirr James Hall & Associates

INTERSTATE AFFILIATIONS: Level 3, 99 Queen Street MELBOURNE VIC 3000 Australia

INTERNATIONAL AFFILIATIONS: USA Volney F Morrin, Los Angeles JAPAN Baba Ito & Associates, Tokyo

PRINCIPAL Paul FT McGirr LL.B Solicitor, Attorney and Tax Agent ASSOCIATES Daniel KP McGirr BA.LL.B Paul FC McGirr VA BM LL.B Dip.Pol.BSocSc.Crim.

Suite 29, Level 7 58 Pitt Street SYDNEY NSW 2000 DX 10253 Sydney Stock Exchange Telephone (02) 9247 7471 Facsimile (02) 9251 2414

Our Ref:

PMcG:DM

Your Ref:

15 March, 2013

Reverend Graham Yager Diocese of Bathurst

Dear Reverend

Re: Proposed Donation by Royal Hotel, Brewarrina

We refer to our discussion this morning.

I act for the owner of the hotel, Mr Paul McGirr, and for the Licensee Mr Chris Taylor.

My client's propose to make application under the Gaming machines Act to the Office of Independent Liquor and Gaming Authority for the allocation of additional gaming rights for the Hotel. The application has not been lodged yet and will take approximately 3 months to be considered by the Authority.

As part of this process my clients need to be able to demonstrate to the Authority that there is a "positive contribution towards the local community" which will arise if the application is granted.

We note your work within the Brewarrina community and are aware of the immense benefit the community has got out of your tireless and hard work.

In that context, and subject to the grant of the application, my clients propose to make a donation to you with the intent that it is used, positively by you, for your work in the Brewarrina community and to assist in performing your hard work.

If you require any further information please do not hesitate to contact me.

Would you please confirm, by reply in writing that you will accept a donation on this basis, and will be able to issue a receipt and confirm payment as required by the Authority.

Yours faithfully

Daniel McGirr

From:

Grahame Yager < gyager@ozemail.com.au>

Sent:

Saturday, 23 March 2013 1:59 PM

To:

Daniel McGirr

Subject:

Re: Royal Hotel, Brewarrina

Dear Daniel,

I write to confirm that we would be grateful for any donation in support of our work in the community of Brewarrina.

The donation would be received by the 'Brotherhood of the Good Shepherd'.

This is a benevolent trust specifically set up to support our work in western NSW. I can assure you that any donation by your client would be used to support the community of Brewarrina.

Regards

Grahame

The Reverend Canon Grahame H Yager CGS Regional Ministry Coordinator The Plains Mission Region Anglican Diocese of Bathurst

Phone: 0428866525

Email: gyager@ozemail.com.au

---- Original Message -----

From: "Daniel McGirr" < danielmcgirr@mcgirrlawyers.com>

To: <gyager@ozemail.com.au>

Sent: Friday, March 15, 2013 12:46 PM Subject: Royal Hotel, Brewarrina

Reverend,

Please find enclosed letter.

Yours faithfully,

Daniel McGirr BA.LLB.Dip LLP | Lawyer McGirr Lawyers | Attorneys at Law

T: (02) 9247 7471 | F: (02) 9251 2414 | Mob: 0424 595 864

Email: danielmcgirr@mcgirrlawyers.com Web Address: www.mcgirrlawyers.com

Address:

Suite 28-29 Level 7/58 Pitt St Sydney NSW 2000 DX 10253 SYDNEY STOCK EXCHANGE

Annexure "O"

McGirr Lawyers

ABN 90 890 791 093

Incorporating McGirr James Hall & Associates

INTERSTATE AFFILIATIONS: Level 3, 99 Queen Street MELBOURNE VIC 3000 Australia

INTERNATIONAL AFFILIATIONS: USA Volney F Morrin, Los Angeles JAPAN Baba Ito & Associates, Tokyo PRINCIPAL
Paul FT McGirr LL.B Solicitor, Attorney and
Tax Agent
ASSOCIATES
Daniel KP McGirr BA.LL.B
Paul FC McGirr VA BM LL.B
Dip.Pol.BSocSc.Crim.

Suite 29, Level 7 58 Pitt Street SYDNEY NSW 2000 DX 10253 Sydney Stock Exchange Telephone (02) 9247 7471 Facsimile (02) 9251 2414

Our Ref:

PMcG:DM

Your Ref:

22 May, 2013

Gainmara Pre School

Attention: Ms Fran Barker
9 Church St,
Brewarrina NSW 2839

Dear Ms Barker

Re: Royal Hotel, Brewarrina- Donation

We act for the Royal Hotel, Brewarrina.

We note that you have had discussions with our clients regarding them proposing to make application under the Gaming machines Act to the Office of Independent Liquor and Gaming Authority for the allocation of additional gaming rights for the Hotel.

The application has not been lodged yet and will take approximately 3 months to be considered by the Authority.

As part of this process my clients need to be able to demonstrate to the Authority that there is a "positive contribution towards the local community" which will arise if the application is granted.

We note your work within the Brewarrina Local Government Area and are aware of the immense benefit the community has got out of your tireless and hard work.

In that context, and subject to the grant of the application, my clients propose to make a donation to you with the intent that it is used, positively by you, for your work in the Brewarrina Local Government Area and to assist in performing your hard work.

If you require any further information please do not hesitate to contact me.

Would you please confirm, by reply in writing that you will accept a donation on this basis, and will be able to issue a receipt and confirm payment as required by the Authority.

Yours faithfully **McGirr Lawyers**

Daniel McGirr

GAINMARA BIRRILEE PRESCHOOL

PO BOX 185 Phone: (02) 68392 311 9 CHURCH STREET Fax: (02) 68392 629 BREWARRINA NSW 2839

ABN: 70 309 046 254

23rd May 2013

Dear Daniel,

As the current Director at Gainmara Birrilee Preschool I would accept a donation on behalf of this organisation. We will issue any relevant documents which includes confirmation of payments needed for required Authority.

We would like to thank the Brewarrina Royal Hotel for the acknowledgement of our tireless hard work and our positive contribution towards the Brewarrina Community much appreciated.

If you require any further information please do not hesitate to contact me on the above number.

Yours Faithfully

Frayne Barker Director