

18th February 2009

Gambling Inquiry Productivity Commission

**Report submitted for the Queanbeyan Leagues Club
Ltd**

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Gambling Inquiry Productivity Commission
GPO Box 1428
Canberra City ACT 2601

Dear Commissioners,

Thank you for the opportunity to provide a submission with regard to the inquiry into Australia's gambling industry.

The following submission aims to provide the commission with an understanding of the value that the Queanbeyan Leagues Club (QLC) provides to the city of Queanbeyan and its surrounding areas. This value has both social and economic benefits, these benefits are derived from the QLC's ability to responsibly provide and benefit from the gaming machines that it operates within its venue.

General information

The Queanbeyan Leagues Club is situated in the business district of Queanbeyan City. Currently there are just over eleven thousand five hundred members and growing each year. The club has been situated in the same site for over 46 years. During this time it has become an integral part of the Queanbeyan community and is one of the prime contributors to sporting organisations whilst also strongly supporting many other community groups. The QLC provides the following services to its members and guests:

- The Blue Q Café
- Sports bar
- Entertainment/function area
- Keno
- Live coverage of sports as supplied by Pay TV
- Poker Machines
- Secure and free car parking
- Meeting Rooms

The QLC is considered to be a medium to large sized club within the New South Wales club industry. While the city of Queanbeyan has the benefits and facilities of a large city (many attributed to its close location to Canberra), it is often considered a major rural centre as well. This view point ensures that the QLC is very much a part of the local community and as such can provide a great insight into what clubs can offer to the area that they operate in.

Economic Contribution

The QLC provides an economic presence in the local area by providing services. The club employs a large amount of people, has large operating expenses with many local providers of goods and services used, as well as paying the relevant state taxes.

The QLC employs 32 full time and 46 casual staff. The total wage costs for the club in 2009 is expected to be over \$3,000,000. The club operates at a very efficient level, and as such cannot reduce its labour costs. A significant fall in revenue would have to take place before labour costs could be reduced.

The QLC will also pay an estimated \$6,700,000 in Gaming Machine Taxes in the financial year ending 31st October 2009.

Typically Gaming revenue accounts for 84% of the clubs revenue. Revenue from bars and food are 7.3% each.

Total operating expenditure by the club including government taxes amounts to an estimated \$13,000,000 for the QLC's 2009 financial year.

Social Contribution

The social contribution made by the QLC to the local community and its surrounding areas is significant. There is a large amount of the towns history that involved the club in some form or another. The club has always been a keen supporter of local events and community groups.

In the coming year the QLC will support many charities and some needy individuals. The type of support provided in the previous year is typical of the recipients of donations made by the club and generally exceed \$135,000. the recipients include:

- Jerrabomberra Public School
- Cancer research Fundraisers
- Queanbeyan High School
- Queanbeyan Public School
- ACT Eden Monaro Cancer Support Group
- Bernado's Australia
- Queanbeyan City Council – Go Bus
- Camp Quality
- Open Family Australia
- Queanbeyan Scout Group
- Lions Club of Queanbeyan
- Childrens Special Needs Group
- Queanbeyan Activities Centre
- Variety Childrens Charity
- War Widows Guild of Australia
- Axis Youth Centre
- Life Resources Centre
- Queanbeyan Mens Shed
- Reach School Holiday Program
- Cystic Fibrosis Australia

Sports and recreation are also a large part of the Queanbeyan Community. As such the QLC contributes heavily in this area and supports sport and recreation from amateur through to professional sports, and from junior to senior levels. Facilities such as the towns only enclosed oval with a grandstand is maintained and power bills for many of the ovals are also paid for by the club. In the forthcoming year it is expected that \$150,000 will be spent on the enclosed oval in repairs and maintenance.

The QLC is predominately run in order to support rugby league. The club recognises however the importance of all sports within the local community. In fact the Queanbeyan Rugby Union Football club administration was relocated to the QLC when their licenced club went in to liquidation. The QLC is the major sponsor of the following sporting bodies, collectively spending over \$40,000:

- Queanbeyan Rugby Union Football Club
- Queanbeyan Leagues Swimming Club
- Queanbeyan united Hockey Club
- Queanbeyan Leagues Darts Teams
- Queanbeyan Leagues Squash Club
- Queanbeyan Gift

Being a rugby league club has ensured that the QLC has a long history of developing and providing support for this sport. The Canberra Raiders Rugby League Football team who currently play in the National Rugby League competition were originally founded by the club. The Canberra Raiders are still to this day supported financially by the QLC. In conjunction with the Canberra Raiders the club supports Rugby league by running development programs across 25% of the geographical landscape of NSW. Within the confines of the QLC the governing body for the entire group 8 rugby league competition is run. This competition involves numerous rugby league clubs from the surrounding areas and for the 2008 season had a total of 4122 registered players. In total the financial support provided by the QLC to rugby league in the region is expected to be \$2,300,000 for the 2009 year.

Many other local community groups are provided facilities within the QLC and there are no charges to these groups for their use. Meeting rooms and practice areas are provided without charge to the following groups on a regular basis:

- Sing Australia Queanbeyan
- Maori cultural group
- Queanbeyan Business Council
- Queanbeyan Leagues Swimming Club
- Queanbeyan United Hockey Club
- Queanbeyan Rugby Union Football Club
- Canberra District Junior Rugby League
- Canberra Raiders Cheer Squad

Responsible gambling

As detailed earlier the main form of revenue for the club is from gaming machines. The QLC recognises that to operate such devices comes with a large amount of responsibility. With this in mind the club prides itself on having all staff involved in gaming or working in gaming areas having passed approved Responsible Service of Gaming courses. In conjunction with this a Self Exclusion scheme is run with great care to identify those who may need help being offered this service. In fact even those members that request self exclusion but then cannot be contacted to arrange a formal agreement are placed on the system until they contact management. In the opinion of the QLC it is this self exclusion policy that best helps defend the small number of people who have a gambling problem.

Conclusion

The contribution made to the local economy and the social fabric of the Queanbeyan region is vital, in that it allows many community groups and sporting bodies to continue. It is a fact that the QLC receives the vast majority of its income through gaming machines. However as the club demonstrates and is bound by its memorandum and articles, all revenue raised through gaming is spent on the facilities, community, sport and recreation or the future needs of the business. Unlike private gaming the QLC is here for its members and the community in which it operates. The value of this community asset is clearly more than just financial as it has become an icon of the local area and a place utilised by thousands of people each week.