

9 February 2009

Gambling Inquiry Submission



Cooma Ex-Services Club Ltd

106 Vale Street
Cooma NSW 2630

Prepared by

**Kade Morrell
Secretary Manager
Cooma Ex-Services Club**

Gambling Inquiry Productivity Commission
GPO Box 1428
Canberra City ACT 2601

9 February 2009

Dear Commissioners

Thank you for the opportunity to provide a submission to express the importance of the Cooma Ex-Services Club within the local community and the adverse effect any further legislation will have, not only to the Club, but also the surrounding community.

Key Facts

Established in 1950 the Cooma Ex-services Club is located on the far South Coast of NSW near the Snowy Mountains.

With 4,000 members approximately 80% of the adult population of the town is a member the Club, using its facilities in one way or another.

The Club offers a variety of facilities including:

- Bistro
- TAB
- Keno
- Poker Machines
- Function Rooms
- Snooker Tables
- Austar
- Bingo
- Raffles
- Bar
- Live Entertainment

Economic contribution

The Cooma Ex-Services Club is a medium sized Club employing a total of 30 (*13 full time, 10 part time and 7 casual*) staff with the Bistro which is leased out employing another 8 staff.

Revenue from the Club's 66 poker machines makes up 65% of the Club's total revenue with Bar Sales 23%, other revenue 10% and interest from the Club's cash reserves 2%. Without these cash reserves the Club would have no doubtably made a loss for the year.

In 2008 the Club had a total revenue of \$3,733,250, down 11% on the previous year, with a net profit of \$11,688 a 95% decline in profitability.

Poker Machine revenue fell 14.8% from \$2,833,928 to \$2,414,538 and Bar Sales fell 5.3% to \$869,909

The Club spent over \$1 million dollars on staff wages and a further \$400 thousand in the local community purchasing products and services such as taxis, security, printing and stationery, promotional product, trades people and accounting services.

Social contribution

The Club plays an important role in the community for the development of sport and assists providing vital funds needed for various community and government organisations.

Over the 2008 Gaming Tax Year year the Club gave a total of \$145,269 (682%) of the minimum requirement of \$21,289 through the CDSE (Community Development and Support Expenditure) scheme.

Without the level of donations given to these community organisations and sporting clubs many would not be viable to operate or their facilities would eventually deteriorate leaving them with no choice but to fold.

There are two other Clubs in town, the Cooma Country Club (Bowling) and the Cooma Golf Club. The Country Club holds a Triples Tournament once a year, to hold this tournament the Ex-Services Club provides the \$3,000 prize money to enable this competition to continue. The Club also sponsors several events at the Golf Club throughout the year, last year totalling \$2,650. Both of these Clubs have poker machines and are unable afford to hold their own tournaments and without the assistance of the Cooma Ex-Services Club these Clubs may have already closed their doors.

The Cooma Rugby Union Football Club has provided a critique of their Club and the role the Cooma Ex-services Club plays in supporting their organisation (attachment A).

Responsible Gambling commitment

The Cooma Ex-Services Club has a commitment to providing a responsible gaming environment through staff training and undertaking the Club Safe program from Clubs NSW.

All staff members dealing with gambling services within the Club must complete the Responsible Conduct of Gambling Certificate to enable them to work in these areas of the Club.

The Cooma Ex-Services Club subscribes to the Club Safe program run by Clubs NSW which provides a comprehensive Gambling Management Manual that deals with education, prevention and intervention policies on responsible gambling processes with the aim to minimise harm and manage risks with the operation of gambling activities.

Information is provided for the Anglicare 'Beat the Odds' program which provides support for problem gamblers and people affected by problem gambling.

The Club is also registered with Austrac to ensure it meets its obligations relating to the Anti Money Laundering/ Counter Terrorism Financing laws. It is Club policy that all relevant staff are trained to comply with these reporting requirements.

With gaming revenue been an important sector of the Club's total income the Club ensures to comply with all relevant legislation and implements controls where necessary to ensure integrity of its gaming facilities. Without these facilities the Club would not have been able to grow and provide the extensive community support as it has done for many years.

I thank you for giving the opportunity to put forward this submission.

Kind Regards

Kade Morrell
Secretary Manager

REFERENCES

Australian Bureau of Statistics

Gaming Machine Tax Act 2001

Cooma Ex-Services Club Annual Report – 2008

ATTACHMENT A



Cooma Rugby Union Football Club Inc

PO Box 728
Cooma NSW 2630

2 March, 2009

Mr Kade Morrell
Secretary Manager
Cooma Ex-Services Club Ltd
106 Vale Street
Cooma NSW 2630

Dear Kade,

We write to you in response to your letter of 18 February requesting a written statement of the relationship between the Cooma Ex-Services Club and the Cooma Rugby Union Football Club (CRUFC).

Since Cooma is a small regional town (population of approximately 8000) the CRUFC is a small sporting club relative to most of the teams they compete against. In 2008 the CRUFC had approximately 50 members and 150 players fielding two senior teams and five junior teams ranging between the Under 11's and Under 18's. The CRUFC teams compete in the Canberra competition requiring players to travel round trips in excess of 230kms for at least half of their games. In some instances, such as when they are playing against Yass or Goulburn, players travel up to two and a half hours one way or over 400km for a round trip.

While Cooma, a proudly renowned sporting town its small population consists of families with below average income. This was recently outlined in the 2008 Cooma-Monaro Shire Council Economic Profile (page 4).

“The Census income figures show that Shire residents had incomes below the State and National averages, particularly when looked at on a household basis. This is in part due to the higher proportion of lone person households in the Shire as these households have lower income levels than family or other households.”

There are many regional townships with similar demographics to that of Cooma all of which have their heart and soul woven into their local sporting and community organisations. Despite having willing volunteers and local support towards the vitality of these groups, CRUFC like most of these groups would not survive solely from competing for financial support from an already financially constrained local population without the major sponsorship from benefactors like the Ex-Services Club.

The Cooma Ex-Services Club's financial sponsorship of the CRUFC is primarily put towards subsidising the cost of hiring local buses to transport our junior players to games played away from Cooma. This assistance is imperative as the club is not in a financial position to purchase it's own bus and parents rely heavily on the services. We truly believe that as a direct consequence of not offering subsidised bus travel the number of junior players able to compete would significantly reduce due to the prohibitive cost of travel and the additional burden placed on other family members.

The CRUFC proudly uses the Cooma Ex-Services Club as the venue for meetings and club functions. We see this is our way to give something back to the Club that enables us to operate. We also encourage all our members and players to be financial members of the Cooma Ex-Services Club.

To be very clear, it would be near impossible for the CRUFC to find sponsors to replace the Cooma Ex-Services Club should they not be in a position to support our Club in the future due to increased taxes or other government levies. This current financial year has seen a reduction of sponsorship from the Cooma Ex-Services as they experienced financial difficulties. We were grateful to have been kept on their sponsorship list and will continue to support the Club that has supported ours so well.

In summary, the Cooma Ex-Services Club sponsorship is vital to the ongoing viability of the CRUFC as it presently stands. Without this support our club would find it extremely difficult to field seven teams, especially in regards to the five junior teams.

Yours in Rugby



Paul Wadland
CRUFC President