

ILLAWARRA CATHOLIC CLUB

INCORPORATING



AND



SUBMISSION TO THE PRODUCTIVITY COMMISSION'S PUBLIC INQUIRY INTO GAMBLING

Written By:

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CHIEF OPERATING OFFICER

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EXECUTIVE SUMMARY

Thank you for the opportunity to provide a submission on the Productivity's Commission inquiry into Gambling. We believe that it is vital for all concerned that correct data and information on this subject is gathered and examined in an objective manner by an impartial body. We are also interested to find out the true impact of the harm minimisation measures introduced after the Commissions 1999 Report. Many critics are quick to publicise often inaccurate and outdated statistics on the incidence of problem gambling in Australia – it is important that all parties are able to reference a singular, valid and reliable set of data that is current and relevant to the stringent regulatory environment in which we currently operate. Speaking from the perspective of an individual Club, we believe that in general the many harm minimisation measures that currently exist in NSW are working to varying degrees and that we operate our business in a professional and responsible manner to the benefit of our members and wider community at large.

The Illawarra Catholic Club Limited (**ICC**) is the registered corporate entity controlling the premises known as "Illawarra Catholic Club Hurstville" and "Club Menai". All references to ICC throughout this document is a reference to both Clubs. It is also worth noting that in late May 2009 the Hurstville Club will move into a brand new \$45 million facility and rebrand itself as Club Central Hurstville. This move is aimed at securing our long term future in an ever changing and challenging economic and regulatory landscape.

The business model of the new Club ensures that the Clubs financial success is supported through a variety of income streams, that will lessen its dependence on Gaming to some degree. However it is true to say that Gaming will remain a core business strategy for two main reasons (a) It has been the primary driver of the Club's financial success over the past 49 years, enabling us to provide much needed and appreciated facilities to our members and our local community, and (b) Our members and patrons demand that we provide them with a wide range of amenities, including the provision of electronic gaming machines for their enjoyment and recreation in a comfortable and safe environment. Gaming is a legitimate and widely accepted form of recreational activity for a great many Australians. We agree with the sentiment that even one problem gambler is one too many, but it is crucial that an objective and balanced approach in dealing with problem gambling, across all forms of gambling, is undertaken. Problem gambling, like other forms of addictions, dependencies and compulsive behaviours, will unfortunately always exist to some degree in today's society. This is an unfortunate fact. But let's look at dealing with problem gamblers in a focused and effective

manner that offers meaningful and intensive assistance and help to the affected individual(s); rather than introduce blanket measures that are often ineffective and inadvertently unfairly penalise the vast majority of responsible gamblers.

One of the most distinguished aspects of Clubs in NSW is that they are first and foremost a Community Asset. This is in stark contrast to other gaming providers in NSW and other jurisdictions throughout the world. Clubs in NSW are not held by private individuals or corporations for personal or shareholder wealth. All profits derived from operating gaming machines, bars, restaurants, function rooms and other facilities are re-invested back into the Club and local Community. Many local community and sporting groups exist solely because they are funded by Clubs. Clubs in general are promoted and recognised as a community based social meeting place for their respective Communities. They provide a safe, welcoming meeting place for many elderly and often isolated members of their community. In terms of Club Menai and Club Central Hurstville we consider ourselves integral to the very social fabric and community spirit that exists within our Local Community. Let's not ever lose sight of the fact that Clubs make an overwhelmingly positive contribution to their local communities on many levels, be they social, economic, sporting or otherwise.

KEY FACTS

History

The Illawarra Catholic Club was established by forty-six citizens of the St George and Sutherland Shire areas on 15 November 1960, as a community Club for Catholics in the area. In the days before state aid to Catholic Schools, many fundraising activities were conducted with the objective to assist young families with payment of expensive school fees associated with Catholic Education.

Over the years, membership continued to grow and many new facilities were added for the comfort of members. After experiencing substantial financial success, Illawarra Catholic Club built a 'sister club', Club Menai which opened in November 1997. Membership is encouraged at both clubs by all demographics of the adult community regardless of their religion, ethnicity and age, and continues to offer generous support to the community in both cash and kind.

May 2009 will mark a new chapter. The Illawarra Catholic Club will be reborn and reposition itself as Club Central Hurstville. While the building and branding will be completely new, the registered company and parent entity will in essence remain the Illawarra Catholic Club. The rebranding

exercise is necessary to better position ourselves for the future and ensure the growth and survival of an organisation with nearly 50 years of proud heritage.

Membership Numbers

Between both Clubs we currently have approx 30,000 members. With the move to the new premises in May 2009 we hope to increase this number to approx 40,000

General Facilities - Club Menai

- A variety of Bars
- Restaurant
- Cafe
- Extensive Function Facilities
- TAB
- Keno Lounge
- Electronic Gaming Machines
- Kid's Club
- A variety of Entertainment offerings
- Social activities including Poker, Trivia, Bingo, Cash Housie
- Outdoor terrace area with playground
- Car Parking (260 spaces)

General Facilities - Club Central Hurstville

- A variety of Bars
- Restaurant
- Cafe
- Snack Bar
- Extensive Function Facilities
- TAB
- Keno Lounge
- Electronic Gaming Machines
- A variety of Entertainment offerings
- Social activities including Poker, Trivia, Mah-jong, Bingo, Cash Housie
- Retail Shops & Commercial Office Space (approx 7,500 square metres in total)
- Car Parking (250 spaces)

ECONOMIC CONTRIBUTION

Employment

Between both Clubs we currently employ approx 150 staff and pay wages totalling approx \$5.4 million per annum. With the move to the new premises in May we are currently in the process of recruiting another 60 positions.

Taxation

Between both Clubs we paid a total of approx \$5.5 million in taxation to the State Government last Financial Year.

Payments to Suppliers

In the 07/08 Financial Year the Club paid out a total of approx \$9 million to many various suppliers / vendors / businesses. Many of these business and suppliers would be based locally.

Capital Expenditure - New Club Development

The total project cost associated with building the new Club at Hurstville is approx \$45 million ex. GST. As you could well appreciate a project of this scale directly employs a vast number of workers from a variety of trades and industries, making a significant economic contribution to the local community and the State of NSW.

SOCIAL CONTRIBUTION

Donations

In the 07/08 Financial Year the Club paid out a total of \$514,000 in donations to various charities, community groups and sporting groups. It would be true to say that many of these recipients rely heavily on funding from their local Clubs. Some rely solely on funding from Clubs.

On the following page you will find a list of donation recipients.

Community Support

The following groups benefited from the Club during the year ended 30 June 2008.

Alford's Point Ladies Golf	Illawong Baseball Club	Riverview Women's Bowling Club
Alfords Point Public School	Illawong Menai Cricket Club	Riverside Anglican Churches
AFL Greater Sydney Juniors	Illawong Public School	Rotary Club of Hurstville
Amelie House	Illawong Softball Club	Rotary Club of Engadine
Anglican Parish of Moorebank	Hurstville Grove Infants School	Rotary Club of Menai
Aquinas & Holy Family Colts JRLC	Hurstville Region Probus Club	Royal Institute for Deaf & Blind
Aquinas Comets Cricket Club	Jannali Pre School	Sacred Heart Community
Archie Barton	Jenko Sutherland Shire Pony Club	St Christophers's School
AOG Sydney South East District	John Franklin Foundation	St Dominic Savio School
Aust-Chinese Culture & Sport Association	Kids Breakfree Charity	St George Full Gospel Businessmen's Fellowship
Australian Labor Party	Kids & Co Pre School	St George Probus Club
Bay Babes	Kirrawee Public School	St George Hospital & Community Services
Bangor Junior Soccer Club	Knights of St George Heart Association	St George Community Services
Bangor Football Club	Knights of the Southern Cross	St George Area Tenant Council
Bangor Tigers JAFC	Learning Links	St George Hospital & Community Services
Bangor Primary School	Leukaemia Foundation	St George Community Services
Bangor Junior Soccer Club	Liberal Party	St George Area Tenant Council
Bangor View Club	Lions Club of the City of Hurstville	St George Workplace Learning
Barden Ridgebacks Netball Club	Lions Club of Menai	St John Bosco Parish
Barden Ridge Rugby League Club	Lions Club of Oatley	St John Bosco Junior Rugby League Club
Barden Ridgebacks Soccer	Lucas Heights Community School	St John Bosco Soccer Club
Bates Drive P & C	Lugarno Lions Club	St John's College
Bethany College	Lugarno Playgroup	St Joseph's Primary School
Beverly Hills View Club	Lupus Association of NSW	St Joseph Catholic Church
Beverly Hills Girls High School	Marist College Kogarah	St Patricks Baseball Club
Bonnet Bay Public School	Marist College Penshurst	St Patricks Primary School
Bryan Carduff Foundation	Marist College Youth Care	St Patricks Soccer Club
Bubtalk	Matthew Talbot	St Therese Primary School
Caldarra Avenue Daycare	Menai Before & After School Care	St Thomas Anglican Church
Catholic Education Office	Menai District Neighbourhood Services	Sir Thomas Mitchell Aged Care
Caritus Australia	Menai District Sports Club	Salvation Army
Calvary Health Care	Menai District Junior Rugby League	Smith Family (Learning for Life)
Christian Immanuel Fellowship	Menai Dragons Basketball Club	Spastic Centre
Connells Point Rovers Football Club	Menai Hawks Junior Soccer Club	Southern Sporting Car Club
Combined Probus Club of Menai	Menai Hawks Netball Club	Southern Sydney Combined Catholic Colleges
Como West Public School	Menai High School	Sutherland Hospital - (Toys)
Como West Jannali Junior Sports Club	Menai Illawong Physical Culture Club	Sutherland Shire / Lakewood Community
Como Pre-school	Menai Junior Rugby Union	Sutherland Shire Football Association
Como-Jannali Rotaract	Menai Primary School	Sydney Children's Hospital
Comets Baseball Club Inc	Menai Probus Club	Sylvanvale Foundation
Cure for Life Foundation	Menai Rotary	Telstra Care Flight
Delta Society	Menai Swim Club	The Sisters of Our Lady of China
East Hills Girls Technology High School	Menai Toastmasters	Uniting Care Ageing
Engadine Occasional Care	Menai Touch Association Inc.	Vision Australia
Engadine Rotary	Menai View Club	View Clubs of Australia
1 st Bangor Kangaroo Para-Scout Group	Menai Volleyball Association	Woronora River Public School
Forest Rangers Football Club	Minerva School	WSN Environmental Solutions
Full Gospell Businessmen's Fellowship Int.	Mission Australia	Yagoona District Scouts
Georges River Community Services	Motivated Menai Toastmasters	
Georges River Junior Soccer Club	Mount St Joseph Milperra	
Georges River District Cricket Club	Padstow KU Pre School	
Guide Dogs NSW/ACT	Peakhurst Public School	
Harmonlodies Cantonese Opera	Penshurst West Public School	
Heathcote East Public School	Pole Depot Centre	
Holy Family Netball Club	Possum Patch Kingergarten	
Holy Family Parish	Probus Club of St George	
Holy Family Primary School	Prostate Council Institute	
Hughes Community Awards	Radio 2NBC	
Illawong & Districts Athletics Club	Red Cross	

Grants to Intra Clubs

In the 07/08 Financial Year the Club subsidised its various Intra Clubs to the tune of \$24,000, including providing the St George Cricket Club with approx \$16,000 in funding.

COMMITMENT TO RESPONSIBLE GAMBLING

ICC is committed to adhering to providing its members and guests with a responsible gambling environment. All employees and managers that work directly or indirectly in any gaming area have undertaken an approved Responsible Conduct of Gambling course. The Club is a member of ClubSAFE, the NSW Club Industries Responsible Gambling programme offering a variety of services including a Self Exclusion scheme.

Below is a copy of the Clubs Responsible Conduct of Gambling Policy

RESPONSIBLE CONDUCT OF GAMBLING POLICY FOR ILLAWARRA CATHOLIC CLUB LIMITED

(INCORPORATING CLUB CENTRAL HURSTVILLE AND CLUB MENAI)

1. To provide gambling services and practices that conforms to all applicable acts and regulations.
2. To promote responsible gambling practices that conforms to local community standards and expectations.
3. To establish a pleasant and safe gambling environment.
4. To encourage patrons to take responsibility for their gambling activity through an effective self-exclusion procedure or other mechanisms.
5. To inform patrons of the club's responsible gambling programme, the nature of gambling products and the availability of support services for problem gamblers.

6. To train and advise all staff associated with gaming of the club's responsible conduct of gambling programme and the correct procedures to be applied in assisting patrons with their gambling enquiries.
7. To achieve a high level of harm minimisation in our gaming operations as a responsible member of the club safe programme.

CONCLUSION

Again we thank the Productivity Commission for giving us the opportunity to make a submission and we look forward to the Commission's findings.