



Gambling Inquiry Productivity Commission
GPO Box 1428
Canberra City ACT 2601

Dear Commissioners,

On behalf of the Canterbury League Club and its affiliated clubs at Lakemba Services and the Bay Sports at Bateau Bay, I wish to respond to the Commission's public inquiry into gambling.

Introduction

The Canterbury Leagues Club was founded in 1956 to provide the financial support to foster rugby league in the Canterbury Bankstown area, and has developed a proud and enviable reputation as one of the premier community organisations in New South Wales.

It boasts a membership in excess of 45,000 and consolidated revenue nearing \$80 million per year. We are a major employer within our communities with 478 full-time, part-time and casual staff.

Revenue from gaming activities accounts for approximately 86% of our total annual revenue and is clearly the dominant entertainment activity for our members.

We are also significant contributors to the State's coffers having paid in excess of \$19.5 million in gaming taxes alone last year on revenue of \$72.3 million.

Having said all that, 2008 saw our revenues across the board (not only gaming) decline, whilst our expenses, particularly gaming taxation, increased.

Canterbury Demographic

Canterbury League Club is located within the Canterbury Local Government Area which has a population of around 130,000 residents.

It has a total labour force of almost 55,000 residents, 92% of whom are in employment.

Canterbury LGA rates reasonably highly on the Index of Relative Socio-economic Disadvantage, registering in the 7th decile on a scale of 10 where a higher score indicates a more advantaged situation.

The LGA also scores very well on the Index of Education and Occupation which reflects the general level of education and occupation-related skills of people within the area. In this regard the LGA registers in the 8th decile on a scale of 10.

The Club Industry generally

The club industry has had to weather pressures in 2008 that have, generally speaking, caused a significant downturn. Many clubs have failed; many others have found themselves at a financial precipice from which recovery will be difficult.

The twin pressures that have fallen upon the industry have been the maturity of a 5-year tax rise program on gaming machine revenue that reached its zenith in July. This has added an extra 13.5% to the level of tax which major clubs have had to pay. In Canterbury's case it has added around \$8.4 million to our tax bill. For many clubs who do less well than Canterbury, this has been a crippling, in some cases fatal, impost.

The second matter to impact negatively on the industry's ability to sustain itself has been the impact of smoking regulations that came into full effect in 2008.

These regulations effectively ban smoking indoors in clubs. They have been instituted as a matter of public health, and the reason for them is clearly understood. But severe collateral damage has been done nonetheless.

Gaming patrons have resented the fact that they cannot smoke in the traditional gaming lounge if they wish, resulting in severe declines in the patronage of many gaming facilities across the industry.

Our contribution to the Community

Canterbury Leagues Club boasts extensive indoor facilities including several function rooms, squash courts, snooker rooms, a child minding centre and a modern extensive state of the art gymnasium, which incorporates a steam room.

We also have a modern a la carte restaurant, a Chinese restaurant, bistro, coffee lounge and bars.

Our gymnasium (C-Life) offers a comprehensive range of exercise classes including pilates, aerobics, muscle and cardiovascular conditioning, an indoor spinning room and hi-tech facilities comparable to any fitness centre in Sydney.

These include a large range of free weights as well as the latest pin-loaded strength training equipment.

The Club also offers full fitness assessments as well as qualified massage therapists and nutritionists.

Our indoor sub-clubs include a very active squash club, an indoor sports club (indoor bowls, snooker and billiards, darts) and a chess club.

Each month, our club also hosts a Variety Day. The Variety Day event is mainly directed at attracting local nursing home residents who are transported by bus to the club and we put on entertainment and a specially discounted lunch for those attending. Club members and their guests may also attend.

Among numerous other recreational activities, the Club also contributes significantly to Seniors Week each year. Concerts, discounted meals and various other activities are conducted at the Club during Seniors Week.

Community Service

MISSION STATEMENT

“To provide the best quality leisure facilities in the world in an elegant atmosphere through unparalleled service and teamwork by dedicated, satisfied, well trained, customer service oriented employees”

Community Service is part of the club charter, defined in its Mission Statement and business plan. The club has a wide reach in supporting community work in the Canterbury-Bankstown area, as well as sport at all levels. In 2006-7 the club supported some 126 different groups, within and without the Community Development and Support Expenditure (CDSE) scheme. Spending on all community support totalled \$1.32 million. Of this \$1,050,000 was provided as the club's liability through the CDSE Scheme, and \$270,000 outside of it. In-kind support outside of the CDSE Scheme ran to a further \$70,000.

As well, and not insignificantly, the club spent in excess of \$4.5 million in support of the Bulldogs Rugby League team in the National Rugby League competition. While this organisation employs professional footballers, it also provides a massive community benefit in the south western suburbs of Sydney and elsewhere, adding to the recreational pleasure of literally millions of football supporters. For many of them the club and the game represent a fundamental family tie, and provide the conduit to a community psyche which promotes health and well-being.

The value which Bulldogs and other Rugby League clubs make to communities right across New South Wales and other States should not be understated. Rugby League is the primary winter sport in New South Wales and means so much in economic, social and charitable terms to so many individuals and communities.

There are enormous economic and community spin-offs emanating from the presence of an NRL team in a local community and on a broader statewide basis. To many, it provides a source of great entertainment and pleasure, whilst to others it is almost a religion. Modern rugby league clubs provide a diversity of community support and we at Bulldogs are in a privileged position of providing perhaps the highest level of direct funding of any club in the NRL competition.

We represent a focal point for our community, benefiting not only football fans but local retailers, merchandisers, charitable groups, schools and other community organisations.

Indeed, the original purpose of Leagues Clubs was to provide much needed community facilities while propagating sport and specifically the game of Rugby League. Hence, Bulldogs is a Club which provides much more than just a professional football team. We are an active community partner in delivering social messages and education outcomes, in delivering charity assistance and in making a positive difference in the lives of the people of south western Sydney in particular.

We support individuals and groups of all socio economic backgrounds, we support junior and grass roots participation in a variety of sports (not only rugby league) and we aim to provide assistance and inspiration to all sectors of our communities, particularly those disadvantaged by social or other economic barriers.

The broad objective is that the club takes an active part in the community which it serves, both in supporting financially many community services and participating actively in community projects. This is achieved by:

- (a) Full and involved participation in the Canterbury LGA Community Development Support Expenditure scheme committee, including maintaining the presidency over its first five years.
- (b) Actively supporting community projects outside CDSE scheme responsibility by provision of additional finance, and by providing club facilities and amenities for community groups.
- (c) Participating in projects. e.g. Muslim Youth Employment Project, conducting seminars etc.
- (d) Much emphasis is placed on preventative support, by assisting with sporting groups, outreach programs, educational programs etc. to limit family stress and troubled outcomes, particularly among the area's youth.

Our commitment to harm minimisation and problem gambling

Our Club is very proud of the fact that it maintains the most successful gaming machine installation in New South Wales. This reputation as a gaming venue has been earned over many years and is based on our care for customers, our attention to responsible gaming practices, our fairness in terms of return to player from those gaming machines and our commitment to providing the latest and most attractive gaming products available to our patrons.

Whilst we believe that many of the so-called harm minimisation initiatives developed in the main by academics and adopted by governments have been ineffective and with limited evidence of a practical link to reducing problem gambling, the club industry generally and this club specifically have taken positive measures to closely monitor and address any instances of problem gambling within our premises.

Canterbury League Club would maintain that its commitment to minimizing harm from gaming activities is comprehensive, fair, rigorous and compliant.

As the instigator and foundation member of the world-renowned BetSafe program, Canterbury is always proactive in its approach to responsible gaming.

Canterbury follows rigidly the extensive requirements and obligations imposed under the auspice of the BetSafe programme, a copy of which is attached.

Canterbury is extremely diligent in the monitoring and enforcement of self-exclusion orders on persons who, once excluded, endeavour to re-enter the property. At all times, significant emphasis is placed on self-exclusion, sharpening our operational procedures and training of staff.

As a matter of practice, the Club insists that all supervisors have access to the Betsafe programme and refer to it regularly to update them on responsible conduct of gaming. All employees regardless of the working area to which that person is engaged within the Club, are required to hold a current Responsible Conduct of Gaming Certificate as well as participate in on-going RCG training on a regular basis. This I believe you will find is the practice in most mid to large size clubs.

We encourage responsible practices in advertising and promotions and ensure that appropriate signage is displayed throughout the Club to assist in the promotion of responsible gaming and to assist those that may need counselling services. All our Supervisors are trained to provide discrete, confidential assistance to club patrons and their families should a member believe they may have a gambling problem.

As far as our experience extends, which is quite vast considering the propensity of gaming activity within the club, the incidence of “problem gambling” appears to be extremely minor.

This is consistent with the general findings of the innumerable studies that have been conducted over many years and bears out the very profound statement by IPART in one of its reports that “gambling is a legitimate social activity that people should generally be free to enjoy”.

IPART promoted the concepts of “informed choice”, and attendant “protection measures” and “counselling measures” urging Government to develop a regulatory framework that effectively and efficiently assists in promoting responsible gambling.

This recognised an approach which assists consumers to enjoy gambling whilst reducing the likelihood that their gambling will become a problem.

Conclusion

Canterbury League Club and its satellite Clubs at Lakemba and Bateau Bay, provide incomparable services to its communities by way of employment, facilities, sponsorship, junior and senior sport at all levels and direct and indirect community services.

We employ extremely effective harm minimisation practices through strict adherence to the world-renowned Betsafe program and responsible gambling practices generally.

Though financially successful over a long period of time, we are like many other clubs throughout NSW, extremely vulnerable to the increasing pressures of very high taxation, smoking restrictions and possibly the most highly regulated gaming environment in the world.

In its most recent report, the Independent Pricing and Regulatory Tribunal (IPART) found that the value of clubs' social infrastructure in 2007 was \$811 million which does not include the indirect or intangible contributions made by clubs.

Though it also did not include the costs associated with problem gambling, our experience over a very long period of time and with strict adherence to responsible gambling practices, is that the incidence of problem gambling is minor. More particularly is this the case when one considers the significant enjoyment and community benefits our members and their guests receive through our facilities.

We urge the Productivity Commission to pay less attention to so-called "probability studies" about the "possible" or "potential" incidence of problem gambling based on theoretical analysis and focus on the maturity and responsible practices employed by our clubs generally in assisting those that might have a gambling problem.

We urge you also to consider the health and psychological profiles of problem gamblers rather than the incidence of gaming as a factor in treatment regimes.

Should you require further comment or assistance from the Canterbury League Club group, then please do not hesitate to contact our Chief Executive Officer Mr John Ballesty on 02 9704 7777.

Kind regards

Peter Winchester
President

Cc ClubsNSW