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2nd March 2009
Gambling Inquiry Productivity Commission
GPO Box 1428
Canberra City ACT 2601

Dear Commissioners,

Introduction

Thank you for the opportunity to provide this submission. The Canada Bay Club provides a social environment for over 14,000 members with the following facilities available to its members:

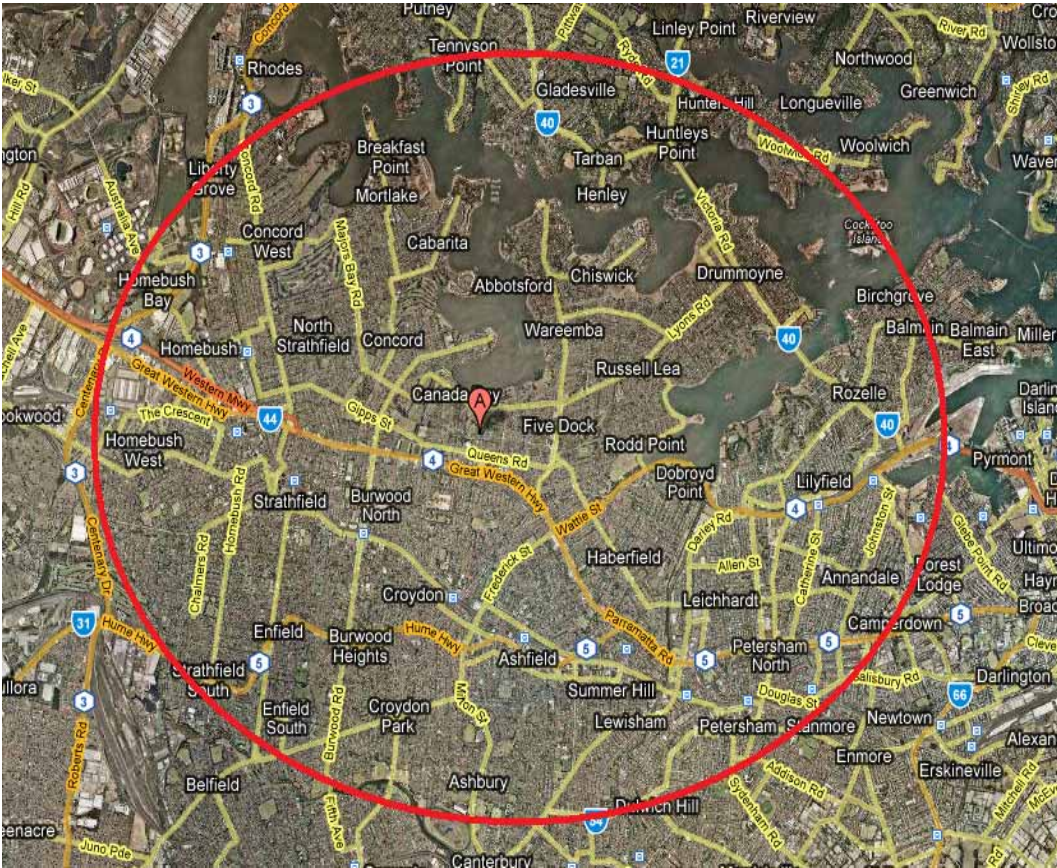
- The Family Brasserie (seats 265 pax)
- Wings Chinese Restaurant (250 pax)
- Affordable Holiday Apartments in Forster (5 in total)
- Function Rooms (3 in total)
- Complimentary Live Entertainment (4 days per week)
- Internal sporting clubs (5 in total)
- Poker machines
- Keno
- TAB

Club's Background Information

The Western Suburbs Soccer Club (now known as the Canada Bay Club) was first founded in 1966 and was established to provide a 'home base' for the expansive Western Suburbs Soccer Association. In the early 90's the local Western Suburbs Soccer Association had ceased competitions. The Registered Club itself continued to flourish and in 1992 we had a 7,000 strong membership base. In 2003 two large councils in the Inner-West area, Drummoyne and Concord forged a successful amalgamation – to be now known as the City of Canada Bay Council. It was at this time the management sort approval from the board of directors to undertake a re-branding process in order to be recognised within a wider community area and demographic.

Our community venue is now widely known as the Canada Bay Club. With this new brand we have encouraged the families in our community to revisit what the modern club has to offer the local area. Our growing community area is blessed with a large cultural mix. We have experienced a growth in young families residing in our municipality and 75.48% of the club's members that support our commitments to the community live within a 5km radius of the club.

Please see below:-



Suburb	P / Code	%
Annandale	2038	0.40%
Rozelle	2039	0.41%
Leichhardt, Lilyfield	2040	2.82%
Haberfield	2045	3.96%
Abbotsford, Russel Lea, Five Dock, Canada Bay, Chiswick	2046	27.74%
Drummoyne	2047	3.70%
Stanmore	2048	0.30%
Lewisham	2049	0.44%
Gladesville, Henley, Huntley's Point	2111	1.26%
Summer Hill	2130	0.48%
Ashfield	2131	2.47%
Croydon	2132	2.84%
Croydon Park	2133	1.98%
Burwood	2134	1.72%
Strathfield	2135	2.63%
Burwood Heights	2136	1.34%
Concord, Breakfast Point, Cabarita, Strathfield north	2137	16.17%
Concord West, Liberty Grove	2138	3.68%
Homebush, Homebush West	2140	1.14%
Outside 5kms		24.52%

Total = 100.00%

Economic Contribution

Revenue types:

The Canada Bay Club revenue streams are set out below:

Revenue Type	2008 (\$)	2007 (\$)	% Change
Food and Beverage	1,657,155	1,403,038	18.11%
Poker Machine Revenue	7,409,749	8,129,742	(8.85%)
Rental Income	231,775	178,482	29.86%
Functions and Entertainment	219,802	89,012	146.93%
Commissions	694,779	257,828	169.47%
Membership subscriptions	32,236	27,421	17.56%
Total	10,245,496	10,085,523	1.59%

Poker machines were Canada Bay Club's greatest source of revenue during 2008 accounting for approximately 72% of total income throughout the year. Whilst we are actively making changes to reduce our reliance on Poker machine revenue (FY 2007 = 80.6%) it will always be our major source of revenue.

In 2008 our income tax obligations increased by 59% to \$276,218. In the past year, the club's CDSE requirement was \$112,873 in FY08 with an additional \$60,000 cash being allocated in the club's budget and was subsequently donated over and above this amount to local community organisations.

Expense types:

Expense Type	2008 (\$)	2007 (\$)	% Change
Borrowing	Nil	Nil	Nil
Bar Trading	1,124,803	979,535	14.83%
Poker Machine Trading	2,313,282	2,418,170	(4.34%)
Gaming Commission Expenses	Nil	Nil	Nil
Raffles and Bingo	297,550	154,388	92.73%
Club Promotion and Entertainment	935,511	850,132	10.04%
Depreciation and Amortisation	1,242,153	1,170,609	6.1%
Administration	3,771,037	3,233,277	16.63%
Ordinary Activity Expenses	Nil	Nil	Nil
Total	9,684,336	8,806,111	9.97%

Profitability:

Despite the 2% increase in revenue the Canada Bay Club's rising expenses, up 13% (not including tax) caused a reduction in profitability before tax from \$1,415,899 to \$763,544 between the end of FY 2007 and FY 2008

Employment and Training:

The Canada Bay Club currently employs 51 staff, 16 Full Time, 32 Part Time and 3 Casual. This excludes caterers and cleaners and security personnel. Due to the size of the Club and staffing structure, most employees have some form of gaming duties. The Club's employment policy is to engage staff who has the Responsible Conduct of Gaming Certificate.

Management and Directors attend numerous industry conferences throughout the year. Staff members are also trained in First Aid and Armed Robbery Prevention. RSA and RCG certificates are compulsory for all staff as well as additional customer service and hospitality training for all employees totalling \$46,945 this past financial year

Responsible Gambling Commitment:

In conjunction with Clubsafe's commitment to Responsible Gaming, our Club has implemented the following initiatives:

- All staff involved with the service of gambling are trained to assist members or guests who may experience problems with gambling.
- Signs have been placed in appropriate locations throughout the club, listing a 24-hour free and confidential gambling telephone helpline.
- Brochures promoting responsible gambling which list counselling services have been made available to members and guests.
- Provision of information on self - exclusion (self-banning).
- Responsible promotion of gambling within the Club.
- Provision of a free counselling and assessment session.

Social Contribution:

As mentioned earlier, the club's proactive approach to non-CDSE funding resulted in an additional \$60,000.00 approx 50% of the CDSE contributions made to community organisations. This equated to 7.86% of our net income before tax. We are well regarded for our support in the community and can no longer provide this quantum of support. To date in FY09 we have budgeted to contribute \$45,000 over and above our CDSE commitment which is estimated to be \$105,290

Contribution as a percentage of total revenue and the \$ value per member (ex CDSE)

<i>Total Cash Contribution (exc. CDSE for non-sporting community groups / individuals)</i>	<i>% of Total Revenue</i>	<i>% Growth of Total Revenue FY07 to FY08</i>	<i>\$ Value Per Member</i>
\$60,000	0.59%	890%	\$4.62

In-kind contribution as a percentage of total revenue and the \$ value per member? (ex CDSE)

<i>Total In-Kind Contribution (exc. CDSE)</i>	<i>% of Total Revenue</i>	<i>% Growth of Total Revenue FY07 to FY08</i>	<i>\$ Value Per Member</i>
\$10,210	1.0%	18.16%	\$0.79

Please find below the Community organisations who were proudly supported by way of \$60,000 in cash grants (over & above the club's CDSE commitment):

<i>Recipient</i>	<i>Cash Grant</i>
Alzheimer's Australia NSW	1900
Balmain Hospital Auxiliary	6000
Cancer Council - Relay for life	2500
Wellness Week	11000
Concord Hospital	10000
Croydon Park Public School	500
Drummoyne Community Centre	3500
Drummoyne Occasional Care Centre	3800
Five Dock Leisure Centre	1200
Inner West Neighbourhood Aid Inc.	3500
Learning Links	2320
Lucas Gardens School	858
Mutual Strokes	1500
Sisters of Life	2046
St Mary's Primary School	3000
Rotary Club of Haberfield	6000
Touched by Olivia Foundation	4000

Conclusion

The Club is taking steps to diversify its income away from the gambling dollar, but it will always be a large source of revenue for the Club. The Club and its staff promote responsible gambling within the Club

The Canada Bay Club is known as the family club within its Community and provides for the social and welfare needs of the community. In particular it sponsors the local Inter Lions soccer teams comprising of over 700 players.

The Club also employs over 50 staff, generally from the local area. It is our belief that the community of Canada Bay has benefitted from the existence of the Canada Bay Club.

Yours sincerely

Maureen Heywood
Chief Executive Officer