

30th November 2009

Gambling Inquiry - Draft Report  
Productivity Commission  
Locked Bag 2, Collins St. East, Melbourne,  
VIC 8003

Dear Sir

**Re: Club Response to the Draft Report on Gambling**

I have been asked by the Board of Directors of my Community Club to convey the serious concerns of our club and its members on your Draft Report on Gambling.

Our club is situated in Caloundra on the Sunshine Coast. The principal purpose of our existence, as stated in our Constitution, is the provision of member and community services. We currently provide over \$300,000 in direct cash contributions and \$250,000 through the provision of a management consultant to work on behalf of our Caloundra Community to source Local, State and Federal Funding opportunities to assist community organization.

We currently have 382 employees and as such the Caloundra RSL is one of the largest employers in the greater Sunshine Coast region.

A recent, independent economic impact study of the Caloundra RSL's contribution to the region through wage payments only identified that in 2007/2008 the Caloundra RSL contributed \$97 million to the region through both direct and indirect multiplier effects,

We have a total of 42000 members. Our members visit the club for a range of services and facilities. Apart from gaming, these mainly include socialisation, dining and entertainment. Our gaming facilities include 280 poker machines and a Keno outlet.

It is in our absolute interest to ensure that our gaming services are conducted in a responsible manner. We subscribe to the Queensland Responsible Gambling Code of Practice and are very much aware of our obligations and responsibilities to people who may have a gambling problem.

While we welcome the gambling inquiry, as it was long overdue, we are very concerned about the negative impact that the draft findings and recommendations would have on the financial viability of our club and the impacts on the wider Caloundra community. This would most likely include loss of jobs, curtailment of services we currently provide to our members and, most importantly, a reduction in our community contributions.

There is no way we can sustain this level of community support if adverse measures such as those contained in the Draft Report are placed on community gaming. The harsh reality for our club would be to simply close our doors, leaving our members and the local community without the much need services and facilities that is made possible through community gaming.

We urge the Productivity Commission to seriously consider the practical reality of their recommendations. In particular, we urge the Productivity Commission to consider the following when finalising its Final Report:

- The rate of problem gambling has declined across Australia because of the extensive measures that have been implemented since 1999. In Queensland, this now stands at 0.47% of the adult population - measured through one of the largest surveys of its kind in the world.
- We need firm data, not estimates, to build effective policy. Therefore, nationally consistent research is needed if there can be a 'true' understanding of the gambling sector. A 'one size fits all' approach is not possible because each State is different, with different regulations, tax rates, maturity of market, ownership model & splits between private and community ownership of gaming.
- Gaming serves different purposes in different venues. For clubs which are not-for-profit entities, gaming is a community initiative, which supports a range of community services and facilities. It is critical that there is a strong demarcation between community gaming and for-profit or entrepreneurial gaming.
- While technological innovations open many possibilities for harm minimisation, it is critical that any technology is evaluated first and then, based on solid evidence, accepted or rejected. Queensland in this regard is far ahead with its card-based gaming trials. The same also applies to any policy change (i.e. modelling to determine impact and effectiveness of the policy change before accepting or rejecting the policy platform).

Finally, our view is that the Productivity Commission should strive to achieve a balance in the Final Report between the needs of gaming venues and their patrons (of whom only a very small number have a gambling problem). There should also be an acknowledgment of the extensive responsible gaming measures that are already in place (many of which have produced spectacular positive outcomes). Some attention should also be given to the concept of personal responsibility as there is a limit to which controls can be placed on gambling venues.

Should the draft recommendations remain unchanged, the Productivity Commission may like to consider how sport and the considerable support for welfare, charities and the like will be funded, as it is highly likely that community clubs will not be in a position to provide their current level of support. In fact, we would expect the demise of a significant number of community clubs should all the recommendations be taken up by respective Governments throughout Australia.

I hope the above is of some assistance in understanding the nature and importance of gaming in community clubs and the impact the draft recommendations may have on community gaming.

Yours sincerely

Steve Fromont  
**Club Manager**