



Toombul Bowls Club Inc.

Includes Men's Club - Ladies' Club - Social Club

Telephone: 3266 3442
Telephone: 3266 3756
Fax: 3266 3088

Address all mail to:

The Secretary,
Toombul Bowls Club Inc.
70 Flower Street, Northgate, QLD. 4013

Chairperson: D. Anderson
Secretary: B. Schaumberg
Date: 1 Dec. 2009

Gaming Inquiry- Draft Report
Productivity Commission
Locked Bag2, Collins St East
Melbourne
Vic. 8003

Dear Sir

Re : Toombul Bowls Club Inc.s Response to the Draft Report on Gambling

I wish to draw your attention to some aspects of your draft report which we believe would have dire consequences to many Community Bowling Clubs in Queensland and with particular reference to my Club, the Toombul Bowls Club Inc.

The draft report released for comment has focused almost entirely on poker machine gambling. In doing so it does not differentiate between not for profit Clubs such as ours - as opposed to other entities whose main function is profit. The report contains recommendations and findings that would have a severe effect on the financial viability of Community Clubs in Queensland.

Prior to the introduction of poker machines, Toombul Bowls Club was a relatively small Club staffed by voluntary workers drawn from within its bowling ranks. The Queensland government allowed the introduction of poker machines into the State in the late nineteen eighties and our Club, along with every other Club in Queensland was faced with a decision to go with the new arrangement or not to participate. Quite clearly the intention of Government was to improve the financial position of the Clubs, and to broaden their charter so that a higher proportion of the population would be able to take advantage of the improved social and recreational facilities expected to flow from the extra revenue released from the Community.

To facilitate decision by participating Clubs, the Qld Government closely regulated the new industry by setting itself up as the sole ownership of machines and introducing a rental system of poker machines from the State and put in place monitoring systems which safeguarded the integrity of the whole new system

It was within this closely protected system that Clubs made the decision to participate or not. Toombul Bowls Club decision was to participate and consequently the Club had to take two actions :-

1. Frame a new Constitution to cater for the wider Community , who may not be interested in playing bowls but who wished to take advantage of the wider recreation facilities which would come available.

RESULT

A Board of Management established with the responsibility of managing the Club's assets and responsible for the financial management of the Club and three inclusive Clubs established, each with their own Constitution and responsible for all Bowling and social activities in the Club. The Membership of each of the Clubs at the end of the last financial year was :-

Men's Club 178; Ladies Club 105; Social Club 29

2. To accommodate the expected increased Membership the Club had to embark on a building extension program and this was commenced in 1993 serviced through a \$500,000 loan from the ANZ bank.

RESULT

An upgraded building with additional rooms, upgraded bar upgraded kitchen , poker machine rooms, parking areas and all the trimmings required for an progressive up to date Club. The program of improvement of facilities is ongoing, funded from resources in the Club and in particular from poker machine profits.

THE IMPORTANCE OF POKER MACHINE REVENUE

The introduction of poker machines drastically changed the management systems in the Club Our Financial figures improved greatly and much of the angst of fund raising to provide amenities for Members disappeared. Perhaps this is best illustrated through extraction of figures from the Balance Sheet of the Club (1991/92 the year of introduction of Gaming to the Club), the Balance Sheet (1995/96 - Year of high liability to ANZ bank) and the Balance Sheet (2008/09 completely free of debt).

	1991/92	1995/96	2008/09
Income	\$188,899	\$346,448	\$508,930
Expenditure	\$150,148	\$275,450	\$480,394
Poker Machine Profit	nil	\$103,637	\$110,730
Overall Net Profit	\$ 38,751	\$ 70,998	\$ 28,536

We think these figures illustrate the increasing reliance on poker machine profits to maintain overall profitability of our Club. Any erosion of the income from poker machines would have a

very serious effect on this Club's viability and its to fund salaries for the four permanent and eight casuals employees of the Club.

POLICY DEVELOPMENT BY GOVERNMENT

The development of policy governing the operation of poker machines in Qld has been on going. Perhaps the major changes in recent years has been:-

- . The introduction of self regulation by the Clubs to the standard prescribed and appropriate to the devolution of the function from government to Clubs.
- . Ownership of poker machines vested in the Clubs
- . Introduction of random audit of poker machine management by Government
- . Recognition of duty of care principles by Gaming providers and the development of an appropriate recording and reporting systems.
- . The appointment of a Community Liaison Officer within the Club with the prime objective of help to clients and the solving of problems associated with Gaming which may arise from time to time.
- . Amendment of Liquor and Gaming Licenses to reflect the true status of their operations. For Toombul Bowls Inc. defined as a "Community Club Licence."

Changes have not been introduce without some significant teething problems. The major problem considered in the draft report appears to be that of problem poker machine gamblers in the community.

PROBLEM GAMBLING

The procedures introduced by the Qld Government and clearly stated in code of Gaming, to control problem gambling in Clubs are working well. We fail to see how such activity as the liberisation of internet gambling could have a regulatory service as efficient as the one currently in place.

We believe that internet gambling has the potential to destabilize the whole Mac'ine gaming industry and hence its importance to the general financing of Community Clubs.

RESPONSIBILITY OF COMMUNITY CLUBS AND THE COMMUNITY

In conclusion we wish to draw your attention to the wider responsibility of Community Clubs in Qld and can do this best through an extraction from the 2008/09 Annual Report by the Toombul Board of Management to Members. We quote :-

The major concern of the Qld Government and clearly stated in its policy of Gaming is to control problem gambling. The major problem considered in the draft report appears to be that of problem poker machine gamblers in the community. We believe that internet gambling has the potential to destabilize the whole Mac'ine gaming industry and hence its importance to the general financing of Community Clubs.

" Community Service

Part of the Club's culture is a responsibility to support community projects . Our involvement this year has been

Gratis use of buildings

- . Cancer Charity Function organized externally. Funds raised \$3,000*
- .National Seniors. Venue for monthly meetings*
- . Neighbourhood Watch. Venue for monthly meetings*
- . Maroochydore Life Savers. Head Quarters for annual collection*

Internally sponsored Charities

- . Victorian Bush Fire Appeal. Funds raised \$830*
- . Guide Dogs Qld . Funds raised \$1,200*
- . Cancer research. Funds raised \$1,000*

School Support

- . Virginia State School . Donation\$250*
- . Nundah State School. Donation \$30*

Community Hospitality

- . Australia Day Celebrations . Free breakfast and entertainment for 600 residents.*

The Board of Management is proud to support the above charities and we congratulate the hard working Members who have made each project a success". End of quote.

While the above projects may not be regarded as significant viewed singularly but viewed collectively with other non profit Club's contribution, we are sure they would amount to a major sum , certainly appreciated by the many non or partially funded organizations working for the Community benefit.

Thank you for taking the time to read our submission.

We beseech you to give serious consideration to the points raised and we look forward to a wise and balanced report emanating from your Commission

Yours sincerely

J. B. Schaumberg

*J. B. Schaumberg
Hon. Secretary of the Board of Management
Toombul Bowls Club Inc.*