



Uralla Bowling & Recreation Club
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Committee Secretary
Joint Select Committee on Gambling Reform
PO Box 6100
Parliament House
Canberra 2600

Inquiry into gambling pre-commitment scheme

Please accept this submission to the Inquiry into the pre-commitment scheme of EGM's on behalf of Uralla Bowling & Recreation Club Ltd.

An overview of the club

Uralla Bowling & Recreation Club is located in the New England township of Uralla and serves a community of some 2500; we have approximately 1000 members, and are one of four licensed venues in the town with Electronic Gaming Machines. The others are the Uralla Golf Club, and two hotels.

It is fair to say the Uralla Bowling & Recreation Club has the most number of EGM's (22) and is the most modern gaming venue in the town.

The club also offers Keno; Raffles and Bingo as other forms of non EGM gambling. This venue does not operate a TAB or similar.

Established in 1946 to promote the game of lawn bowls the club has developed and diversified to become the venue of many social and community activities.

Uralla Bowling & Recreation Club has shared the good and the bad and been an important part of the community for over 60 years, and has grown with the town in that time.

Gaming Revenue

In the 12 months to 31 December 2010 Uralla Bowling and Recreation Club received \$670,000 gross from its EGMs. Compliance and other direct expenses reduce this to approx \$650,000. This is almost 70% of this clubs gross profit of \$977,000 for the same period.

EGM Capital Expenditure and depreciation of \$70,000 reduced this \$580,000. Having a gross EGM “profit” less than \$1,000,000 there is no legislative requirement to return any of this to the community.

Support to the Community

As can be seen in the table below in the 12 months to 31 December 2010, Uralla Bowling & Recreation Club donated \$181,608 or 19.23% of its gross profit to community and sporting bodies.

Sponsorship	\$	14,429.02
Donations	\$	13,020.91
Bowls	\$	29,718.82
Total Cash Donations	\$	57,168.75
Bowling Green Costs		
R&M	\$	20,243.00
Wages	\$	92,197.00
Total Greens Provision	\$	112,440.00
Total Donations	\$	169,608.75
In Kind Donations		
Bus Use by Community	\$	11,000.00
Use of club for seminars training etc	\$	1,000.00
Total Cash Bowls and In Kind Contributions	\$	181,608.75

%age donations of gross profit. 19.23%

It could be argued that the cost of maintaining the bowling facilities in this club is not community support, however if this was not provided by this club, it would be a facility that would have to be publicly funded, and there are two chances of that happening!!

Whilst the bowling facilities are reliant upon the club for funding, the club is also reliant on the bowling facilities to bring patronage to the club. Without these, club revenue would be affected.

In addition to the above this club spent approximately \$200,000.00 on goods and services provided by business in the Uralla Community alone in the 12 months to 31 December 2010, and paid over \$450,000.00 in wages to employees of the club, all of whom reside and spend money in Uralla.

Responsible Gaming

Uralla Bowling & Recreation Club adopts responsible gaming principles in line with those legislated and beyond. All staff associated with gaming activities possess Responsible Gambling accreditation.

Uralla Bowling & Recreation Club is a member of Clubs NSW Club safe programme, and has relationships with other local counselling services. Appropriate signage is in place as is signage offering the alternate local services.

This club provides a voluntary exclusion programme and limits withdrawals from the ATM to \$200.00 per transaction.

Uralla Bowling & Recreation Club is currently investing in facilities that will enable player tracking and when installed we will have the ability to provide player activity statements upon request.

Management has an open door policy and any member is welcome to discuss gambling issues.

Effect of Mandatory Pre commitment on this venue.

Andrew Wilkie MP IND Denison, is a driving force in endeavouring to legislate mandatory pre commitment of EGM's.

Mr Wilkie has reportedly stated that pre commitment will have a 40% reduction in gaming revenue.

Using Mr Wilkie's forecast and last year's income as a guide will reduce this club's gross gaming revenue by \$260,000 in the 12 month period to 31 December 2010. In this period this club made an unaudited profit of approximately \$47,000. If this forecast is correct one does not have to be a genius to fathom that the future of this club is untenable.

For the purpose of this submission I will allow a conservative 20% reduction in EGM revenue. This equates to \$130,000.00.

It has already been mentioned that this club provides some \$180,000.00 in donations and to support sport and other community activities. This will of course need to be reviewed in a desperate bid to keep this club afloat. The club will also have to reconsider employment and spending strategies.

Who is going to pick up the tab and provide these facilities?

If the above projection applies to the whole club industry, all levels of government combined could not afford to provide the facilities and services that Registered Clubs provide to the community. That of course means the community misses out.

If this club does not support the community, the community cannot be expected to support the club.

A venue that has been the fabric of the community will have to seriously consider its future and this will change the way society and the community operate.

Recognition there are problem gamblers

This club is fully aware that there are players of EGM's, play cards, have a flutter on the horses, bet on sporting events who have gambling issues.

It has been widely published and widely accepted that 0.44% of the adult population are problem gamblers. It has also been claimed that 85% of these play EGM's either exclusively or as part of their gambling. If this is the case 0.375% of the adult population are identified as problem gamblers with EGM's contributing to that problem.

Like many addictions, to overcome that habit the person must have a desire to quit. This can be said for tobacco; alcohol as well as gambling. Forcing a person to quit or to change their habit is likely to exacerbate rather than solve the problem, with gamblers opting for other less controlled forms of gambling.

Alternate forms of Gambling

This inquiry is focusing on pre-commitment of EGM's. There are many other forms of gambling in our society and I believe it can be said that none of these offer the player the same protection that currently exists within the Registered Club Industry.

Gambling in an environment that has policies in place to assist those with gambling problems and wishing to overcome those problems can only be of assistance. Many other forms of gambling allow the person to do so without the knowledge of those around them.

Take internet gambling for example. One can open an account register a credit card or multiple cards and max these out without intervention.

A bet on the horses can have the same result, and there is no limit at the TAB or at home with account betting. As a matter of fact the NSW TAB has increased the minimum bet from 50 cents to \$3.00. Is this a responsible step? No doubt this has been sanctioned by various levels of government.

In NSW it is illegal to advertise the availability of EGMs outside of the venue. Just watch the cricket, football or racing; all entice gambling by openly advertising during the various fixtures. Google "bet". The opening hit was an Australian betting agency offering \$200.00 free on the first bet. This was followed by numerous hits to betting agencies in Australia and around the world.

Google "Poker Machine" and a similar array of offerings are presented. Is this responsible?

Pre commitment will drive gamblers to these alternatives and they will have very little if any protection.

No doubt this inquiry will be presented with many similar scenarios by persons much better qualified than myself.

Summary

It has been stated that 0.375% of the adult population are problem gamblers with EGM's contributing to that problem, yet 100% of the population will suffer if the ability of Registered Clubs to provide the community support and facilities and employment they currently provide are jeopardised due to the implementation of mandatory pre-commitment of EGM's in this industry.

Smoking is an addiction affecting 19.8% of our population¹, and it has been said that smoking is the largest single preventable cause of death and disease in Australia. Is there a mandatory limit to the number of cigarettes a person could purchase each day?

Approx 13% of the Australian population is considered in the high risk category of alcohol consumption². Is there a mandatory limit to the number of standard drinks a person can purchase?

What about the high rollers in our casino's; can you imagine the reaction if Jamie Packer was told he could no longer place a bet on the roulette table because a mandatory pre-commitment had been reached.

In case of smoking and alcohol the problem percentage is considerably higher than that identified as problem gamblers. Although strategies are in place to slowly address the issues associated with tobacco and alcohol, none are as drastic and nor will they have the detrimental effect to the majority of the population that the loss of revenue that mandatory pre commitment of EGM's will have to clubs and more importantly the communities they serve. With smoking and alcohol the onus is on the person to want to "give up" with assistance offered to them once that decision is made by them.

Yes 0.375% of our adult population are problem gamblers with EGM's contributing to that problem. This means 99.625% of our adult population will suffer and have to comply with any mandatory pre commitment scheme established to supposedly "assist" the minority.

From this clubs perspective we need to do everything we possibly can to help the 0.375% of problem gamblers, we also have a responsibility to assist the 13% in the high risk category of alcohol consumption, and even the 19.8% of smokers in our population.

Those wanting to beat their various addictions voluntarily join a group; purchase patches or other items that may assist, but I am not aware of any strategy where mandatory and unwelcomed intervention has been used.

¹ Source http://www.nationmaster.com/graph/hea_dai_smo-health-daily-smokers

² Source <http://abs.gov.au/AUSSTATS/abs@.nsf/mf/4832.0.55.001/>

Identifying EGM's as the only form of gambling for pre commitment will only move the problem to other forms of gambling, and may I suggest the issue will become much more difficult to address as gamblers become more anonymous in an environment where facilities other than cash can (and in some cases must) be used to place a bet.

Mandatory pre commitment is not the answer; however a flexible voluntary pre commitment scheme for **all** forms of gambling may be a partial answer. Such a scheme would need to be flexible and not place unnecessary and unaffordable financial pressure on venues. Nor should it inconvenience the 99.5% of the population who are not identified as problem gamblers; who use the facilities provided by registered clubs for entertainment and relaxation; and who benefit from the support clubs provide to the community.

There are strategies in place and strategies that can be strengthened to assist those suffering from ludomania, but mandatory pre commitment of EGM's is not one.

Yours sincerely

Fred Geldof
Secretary Manager