



## Submission

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### Parliamentary Joint Select Committee on Gambling Reform

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Mt Pritchard and District Community Club (Mounties) has grown over the past 44 years from a tin shed located on property in Mt Pritchard (a small suburb located approximately 3 km from Liverpool). The original property was purchased by the foundation members of the club, and in fact one of those members mortgaged their family home in order that the club could get a start.

Through various amalgamations the club has grown to incorporate 4 registered clubs venues, the larger of which is the original Mounties venue.

The club comprises 105,000 members participating in various sporting, social and cultural activities at the clubs venues from time to time.

Club Constitution cites the following main objectives:

- (a) *To provide for members and for members' guests a social and sporting club with all the usual facilities of a club including residential and other accommodation, liquid and other refreshment, libraries and provision for sporting, musical and educational activities and other social amenities.*
- (b) *To assist generally in the promotion of education, sport and culture in the Municipality of Fairfield, City of Liverpool, Warringah Shire, Manly and such other places as determined appropriate by the Board.*

Since it was founded in 1967, Mounties has been, and continues to be, a significant contributor to its members and their community by providing the highest quality sporting and leisure facilities.

Mounties has 41 sub-clubs ranging from cricket, rugby league, soccer, and netball through to euchre, swimming and bowls.

Mounties donates more than \$4 million each year to provide sports facilities and to sponsor sporting and community causes, including local schools, ethnic groups and aged care.

Mounties' social contribution to the community is the core of its existence: it is the largest non-public sector provider of funds to sporting and other groups in its community, making available money and facilities that would not otherwise permit these groups to exist as they do.

Funding vehicles, including the mandatory CDSE scheme, assist the club in meeting its community objectives.

In its 2009-10 financial year, Mounties provided \$4.224 million in grants to community organisations. These included:

Donations	\$1,147,605
Sub Club Expenses & Grants	\$891,612
Operation Expenses Sports Areas	\$337,036
Children's Christmas Party	\$123,420
Senior Citizens Functions	\$128,106
Carols by Candlelight	\$25,794
Capital Works to Community Owned Sporting Fields	\$960,859

At Harbord Diggers Club, \$190,885 was provided as follows:

Donations	\$ 225,039
Sub Club Grants	\$85,050

These grants ensure that many organisations in the community as well as the 41 different sub-clubs at Mounties – alone comprising more than 5000 players and 1500 volunteers, coaches, trainers, managers and committee members – operate effectively.

### Sporting infrastructure

Mounties is most aware that the provision of and access to low cost sporting activities and special interest hobbies is crucial to the health and wellbeing of its members.

Within Mounties club is a Champions Indoor Sports Centre, home to table tennis, darts and indoor bowls, while Mounties Bowling Club has three top quality greens for lawn bowlers. Mt Pritchard Oval is the home ground for cricket and rugby league, while Cook Park caters to Mounties' soccer players. Joe Broad Oval at Bonnyrigg is for its softball and t-ball players. Courts at the club are the training centre for its netball club. Mounties' snooker room has 10 championship tables which are free for members' use.

The sub-clubs supported by Mounties include:

- Lawn Bowls at: Mounties Bowling Club, Fairfield; Harbord Diggers and Manly Bowling Club
- Athletics, senior and junior baseball, camera, cricket, women's and men's darts, euchre, 50s-Plus, fishing, social and seniors golf, hockey, joggers, netball
- Rugby League (including Bundaberg Rum Cup team), snooker, soccer (Mounties FC and juniors to State League with a total of more than 900 players in more than 60 teams)

- Softball and t-ball, Squash, Swimming, Table Tennis and Toastmasters

Following a dual strategy of continuing to improve facilities for members and to diversify sources of revenue, in 2006 the M1 Mounties Health & Fitness Centre was opened. It incorporated an investment of \$34.5 million – more than Mounties' combined profits in 2004 and 2005. It includes: two indoor heated swimming pools – one pool purpose designed for child safety and learn to swim programs; a 1000 square metre training floor for cardio and strength enhancement; four exercise studios dedicated to boxing, group exercise, spinning and mind-body classes; personal training services; Pilates and meditation classes; and a sports medicine centre offering professional services such as massage, rehabilitation and body therapies to assist injury management and relaxation.

In a recent addition to Mounties Learn to Swim Program, parents or carers of all those taking part are offered free of charge lifesaving certificate courses.

In June 2007 M1 Health & Fitness Centre was designated as a Recognised Training Facility by the New South Wales Institute of Sport, which has 31 programs in 24 sports and over 700 athletes on its programs.

### Community Support

Mounties founders recognised the socio-economic problems of their area - which still exist. The club's continuing management theme has been to involve as many people as possible in the activities of the club to support the objects of the club.

Mounties provides a range of support and funding to a number of local charity organisations outlined in the table above.

An example is the \$2.6 million Mounties has granted to the Noffs Foundation to establish the Street University at Liverpool. Noffs created this unique environment to meet the needs of some of western Sydney's most disadvantaged young people. The Street University sees more than 1000 young people per month.

The Mounties Group also offers welfare support services to its members. These are carried out by volunteers who make hundreds of visits a year to those members who need help with an extensive range of community and personal services. Welfare Officers are well supported by Mounties Group with administrative assistance, an allowance and reimbursement of out of pocket expenses.

The Harbord Diggers RSL Sub Branch also ensures Ex-Servicemen and Women and their spouses are given assistance to access RSL benefits including pensions, aged care facilities and disability services.

The Clubs in the Mounties Group also provide significant assistance to school groups in the venues local areas.

Yet another dimension has been added to the low socio-economic issue in Mounties' western Sydney drawing area by the influx in recent years of immigrants from a non-English speaking background. If they work, they tend to do so in the most menial of jobs. Many, particularly the elderly, are doubly isolated because of their poor English.

Mounties' reason for being continues, as it has for more than four decades, in providing opportunity for as many people as possible in its region to become involved in sport or other activities that enhance their lives at minimal cost.

Mounties contributions to its community cannot be met by the various tiers of government. It enjoys a strong reputation in its community for its support – and in return enjoys a high level of support from its community

#### Support of Clubs Generally

Through amalgamation, Mounties has been able to ensure the future of three other important community clubs - Harbord Diggers, Fairfield Bowling Club (now known as Mounties Bowling Club) and Manly Bowling Club. This is also in keeping with Mounties desire to expand its corporate responsibility to service clubs and in doing so, embracing important elements of the RSL culture.

#### Mounties recognises its responsibility as a gambling service provider. It does this by:

As a community club, Mounties firmly believes it is mutually negative in effects for both the club and its patrons to be caught up in gambling abuse. As a result, in addition to the services mentioned below, Mounties Group in 2008 adopted as one of its strategic targets: "Review current harm minimisation practices and develop practices and policies that exceed both national and international standards for harm minimisation."

Mounties Group fully supports and implements required protective initiatives: additionally, it pays more than \$100,000 annually for problem gambling consulting services and strongly advocates all sectors of the gambling industry being subject to similar problem gambling management.

ALL staff, irrespective of their work area, are required to have current Responsible Conduct of Gambling accreditation. Mandatory annual refreshers are also completed by all employees. In addition, it is an employment requirement of Mounties that ALL employees must complete and maintain Responsible Service of Alcohol accreditation and undertake annual training in keeping with the Anti Money Laundering Counter Terrorism Financing Act.

Mounties has operated a self-exclusion process for problem gambling patrons since 2000. In that time and under this process, more than 250 patrons have been referred to BetSafe counselling services.

## Employment

Today Mounties Group employs more than 500 staff to serve its 95,000 members and the community generally. Of this, 410 staff are employed at Mounties, five are employed at Mounties Bowling Club, six at Manly Bowling Club and 115 at Harbord Diggers.

The Fairfield City Local Government Area, in which Mounties is headquartered, is, according to the 2006 Census, home to 179,893 people in one of Australia's most culturally diverse areas.

More than half Mounties' members were born overseas, mostly in non-English speaking countries.

In addition, while Fairfield City has a comparatively young population with many young families, the greatest demographic growth is in the 65 years and over group.

The income levels of residents of Mounties' western Sydney area are generally low. The 2006 Census reported that the median individual annual income was \$16,558 (or \$319 per week) and that the median annual family income was \$49,192 (or \$946 per week) - some of the lowest incomes in Sydney.

The unemployment rate is also much higher than for other metropolitan areas. Official unemployment data show that over the last three years the average unemployment rate in NSW ranged between 4.8-5.4%, while in Liverpool it was 5.2-6.1% and in Fairfield 6.3-9.1%.

The Mounties Group employs 204 full time, 211 part time, and 85 casual staff. It structures its workforce this way to position itself as an employer of choice, and to wherever possible meet the needs of current and prospective talent pools.

Training and development at Mounties is industry based, and geared toward skill refinement and development, however the central focus is on developing the whole person. In 2009/2010 all training undertaken on site was tailored to the organisation and delivered by accredited providers. Members of the management team, who are accredited TAFE trainers, delivered workshops internally and courses attended offsite were also held by accredited providers.

Over the year 90 different in house training sessions were run, 102 varied off site seminars were attended and 60 employees received reimbursement for course fees for university and TAFE. In the reporting period 100% of staff attended some form of training with an average of more than \$3000 per head spent on training and development of some sort (this expenditure does not include wage costs and the cost of the internal mandatory training staff must do).

In addition to the training outlined above, prior to commencement of employment at Mounties, all staff are required to attend a 3 hour orientation/induction session and mandatory armed robbery, BetSafe, AUSTRAC and occupational health and safety training.

The objectives of the programs offered, differ from course to course, however the common objective for all training programs is to equip staff with the skills required to

carry out their roles in an efficient and effective manner, and to assist them in adopting a life long learning approach to employment and development. The BetSafe and AUSTRAC training focus on legislative knowledge but also on how to deal with patrons that might have issues that fall under these guidelines.

### Pre Commitment System

Is government prepared to put all of the above at risk for the sake of implementing an untried, and unproven system, just to placate a short term political need?

We note the committee is examining the implementation of a Pre-Commitment System.

Conservative estimates by some of our leading politicians indicate that such a system will reduce revenues by between 30% and 50%.

So what of the Productivity Commissions Key Finding?

*"Gambling is an enjoyable pursuit for many Australians. As much as possible, policy should aim to preserve the benefits, while targeting measures at gamblers facing significant risks or harm."*

To date we have not seen any suggestions as to how a Pre Commitment System will address "preserving the benefits" provided by this "enjoyable pursuit".

There is no evidence which shows that a pre-commitment system will improve outcomes for Problem Gamblers, and worse still, it seems there is no intent to create an "evidence-based" approach to the introduction of such a system.

There is anecdotal evidence that many club members will simply cease gambling to avoid the impositions of a pre-commitment system, while we believe Problem Gamblers will not only jump through the hoops but find loopholes or move to other gambling forms.

*"A key challenge is to identify policies most likely to be effective in reducing the harms associated with gambling, while preserving most of the benefits. This is a complex task for public policy. The coverage and design of regulation require particular care to ensure that the benefits exceed the costs, and that account is taken of what is often imperfect evidence."*

In the proposal for a pre-commitment system there appears to be no regard for this key finding of the Productivity Commission, rather, a bulldozer approach having no consideration as to the likely effects.

*"Over the last decade, state and territory governments have put in place an array of regulations and other measures intended to reduce harm to gamblers.  
- Some have been helpful, but some have had little effect, and some have imposed unnecessary burdens on the industry."*

Will Pre Commitment be yet another burden on industry?

*“The focus should be on recommendations in the PC report that are technically possible, affordable, limit impact on Clubs and community revenues and can be used by problem gamblers to assist with controlling their issues.*

*We have come to believe that it is not the Governments or Clubs role to "play Doctor" but rather provide a link to trained professionals - if we cant expect an untrained human to play doctor, it seems just as illogical to expect a gaming machine device to conduct diagnostic work identifying problem gamblers.*

*A number of research projects have previously looked at changes in Australian Gaming that limited bet size, slowed reel speed and removed large note acceptors (eg Sharpe et al 2005) finding minimal behavioural changes associated with each and forcing the changes on ALL gamblers unfairly.*

*The SA Treasury has conducted three trials in the last few years with two of them complete and including arguably the largest trial size ever held in Australia with 268 people using pre-commitment on a voluntary basis. The result was a 32% decrease in spending and all that was involved was three separate electronic messages to let the player know they were nearing then exceeding their budget. A reduction in spending of 32% would devastate the Club industry and have a massive flow on effect to local communities at a time when the NSW State Government can least afford to pick up the slack.*

*In the UNLV study of Responsible Gaming Devices in 2006, even Problem Gamblers stated that they would resist mandatory Pre-commitment but could see benefits in voluntary pre-commitment. Problem Gamblers thought that mandatory pre-commitment could lead to them engaging in illegal activities such as stealing cards or stealing money if they got locked out of the system.*

*Others pointed out the cognitive distortions that pathological gamblers are prone to, noting that seeing a loss of \$500 may trigger chasing behaviour. A strong majority of Problem Gamblers in the UNLV study believe it would be naive to suggest that such a device would provide a solution for pathological gamblers.*

*However a voluntary commitment system is recognised as having benefits for both problem gamblers and moderate gamblers whilst accepting the importance for personal responsibility for all. The research in Nova Scotia Canada showed that a voluntary gambling device was well received, decreased the dollar amount spent each hour but extended play time indicating that they made better decisions by having more knowledge about their play.”*

### And what are the likely impacts on Mounties?

- A 30% decline in gaming revenue at Mounties:
  - Will make a profitable club barely profitable.
  - Will put \$180m of community assets at risk
  - Will put 450+ Jobs at risk
  - Will remove community services of \$4m per annum, affecting 75,000 members and more than 100 community groups, in Sydney's South West.
- A 30% decline in Gaming Revenue at Harbord Diggers:
  - Will take a currently unprofitable venue and makes it untenable
  - Will put \$30M? of community assets at risk
  - Will put 150+ Jobs at risk
  - Will affect 26,000 members and 40 community groups, in Sydney's Northern Beaches.

### If it must be:

- A common sense approach is needed to make any pre-commitment mechanism available in a non compulsory format to all patrons. We can already do this minimal cost.
- While we acknowledge it may be unlikely to assist all Problem Gamblers, we equally believe that these people will work out how to circumvent the system or simply move to online gaming, TAB, Keno or illegal gambling.
- Problem Gamblers need professional help, and gaming within a licensed and suitably staffed venue that has trained staff and suitable intervention/assistance programs is far more likely to achieve a result for the true problem gambler.
- The gambling Counsellors we engage are unanimous that the only solution for a true problem gambler, or an addict as that what it equates to, is personal intervention and counselling to get to and understand the root cause of the persons behaviour. Without understanding why people behave this way how can anyone be an expert in how to stop them?
- Forcing these people onto the internet will be detrimental. With credit cards being the payment of choice there is nothing to limit gambling in the personal sense, such as warning messages, staff intervention/communication, a need to access cash. There is potential for unscrupulous and unregulated operators to actually market to such players in ways not even considered by licensed establishments.
- Clubs will need sufficient time to implement alternate revenue options to replace the revenue lost from the implementation of the system.

If notable reductions in profits results from the implementation of a Pre Commitment System it is likely that the club will be unable to provide financial support, services and facilities to its community organisations. It would be reasonable to expect that the community may then expect that government finances them.

ATM controls.

- One of the proposed measures is the limiting of withdrawals from ATMs at \$250 per day. Clearly this will be an imposition on the 97+ percent of gamblers who use clubs - more importantly it will impact many other "non-gambling" users of the club.
  - An example of this would be the majority of our 4500 fitness centre members, who pay their fees predominantly by EFTPOS, or cash withdrawals from ATMs on the property.
- The Fairfield/ Liverpool area has high vandalism rates so the number of ATMS in shopping centres are quite limited and prone to skimming, bag snatch/personal robbery and general security risk while at the machine. ATM's within clubs provide a safe environment for people to carry out their transactions particularly elderly people who tend are more likely targets.
- If the Government wants to be serious about addictions which also affect families then ATM's and should also be removed from all shops so people with Shopping Addiction can be better controlled.
- If the ban was to be put in place it must also be put into the pubs or it is pointless and will be counterproductive to this disadvantaged community as the poker money becomes profits for individuals and not contributed back to the community. More importantly, if the Federal government is to be serious, what about the casino?, or don't they have problem gamblers.
- Having the ATM located in a club where foot traffic is high due to attendance for any number of community based functions, would surely be more efficient than the majority of people travelling to remote ATM locations to access cash. Are we really serious about climate change ?

- Transaction fees on ATMs are in the order of \$2 per transaction - generally this fee is split between the bank, the ATM operator, and the venue. The removal of ATMs from club premises would result in a reduction in these fees for all parties, and it would be reasonable that the bank, the operator, and the venue would seek to recover this revenue elsewhere.