

Eden Fishermen's Recreation Club Ltd



Submission to the
Joint Select
Committee
on Gambling Reform

History of Our Club

The Eden Fishermen's Recreation Club was formed in 1949 and commenced trading on the 1st October 1950, with the purpose of supporting the local fishermen. The Club was built by the community of Eden, to support the community of Eden and many would consider it is still to be the hub of the community today. The Eden Fishermen's Recreation Club purchased the Eden Gardens Country Club in 1970 to prevent its closure and to keep the service in the town for the community and visitors to enjoy. The Club remains Eden's major source of recreational facilities with two restaurants, an 18 hole golf course and two bowling greens. The Club is constantly moving forward, renovating, developing and providing something new for its members.

Our Members and Visitors

To our current 3000 plus members, the Eden Fishermen's is more than just a Club, it's an old friend, a haven and a place for fun, enjoyment and regular live entertainment. According to the 2006 census Eden has a population of 3800 with a large majority of people who live in the Eden area being members of the Club. This past calendar year the golf course has had 7388 visiting golfers play a round of golf, equating to \$ 221,640 in green fees alone. Almost 1000 of these played and stayed by the way of golfing and accommodation packages which has contributed hundreds of thousands of dollars to the local community. Our Eden Fishermen's Recreation Club Members have enjoyed 6387 rounds of golf in 2010. During the busy holiday season, the golf course has a dramatic increase of people using the facilities. Our bowling facilities provide a similar opportunity for members and visitors.

To the many visitors to the Club (58,124) in 2010, it is a place for great food options and a varied range of entertainment along with the sporting facilities. According to the statistics compiled by the Eden Visitor Information Centre, there was 53 888 visitors to the Eden Visitor Information Centre in 2010. This does not include visitors who don't use the Information Centre or visitors who booked accommodation direct with Motels etc.

Employment

The Eden Fishermen's Recreation Club directly employs 47 staff and supports employment to approximately 34 other people through its business associates, contractors, suppliers and builders etc. Employee wages and associated costs alone are in excess of \$ 1.7 million dollars per annum. Should our clubs close this will have a devastating effect to our small community. The Eden Fishermen's Club also supports local businesses that benefit from visitors attracted to Eden by our facilities. The flow on factor will see many other family businesses incur financial difficulties.

In recent times Eden has suffered hardship through reforms to our industries such as commercial fishing and our hardwood and softwood. This culminated in the closure of a commercial cannery in the mid nineties. Many would say that Eden has never fully recovered from these losses of employment and infrastructure and that after being an affluent town in the early nineties it now relies heavily on welfare payments. More recently with the imposition of additional state taxes on gaming, our club found it necessary to reduce wage hours. We have adjusted to the new taxes but will note that since the final NSW State taxation increase in 2006 the club has made an annual profit of just \$35,127 average per annum over the 4 years from 2007 to 2010. With the loss or reduction of our industries we have become increasingly reliant on tourism which is now under severe threat from this reform.

It is noted that according to the statistics in the 2006 census our region has an unemployment rate of 7.5%, whilst the Australian unemployment rate was 5.2%. Given these figures, how will a small community like Eden survive another business closure?

Responsible Gaming Procedures

The Eden Fishermen's Recreation Club has embraced Responsible Gaming guidelines. We offer our Patrons voluntary self-exclusion, counselling, and ongoing support from our staff. All of our staff are trained in the area of Responsible Gaming, and we offer refresher information sessions on a regular basis.

We believe that since responsible gaming procedures were introduced in 2003 there has been a significant reduction in problem gambling to 0.4%. This has been achieved through consultation of all stakeholders and demonstrates that initiatives introduced are effective. As a Club we look forward to further practices to reduce problem gambling, however, we do not believe that the reform proposed by Mr. Wilkie specifically targets problem gambling.

Community Support

Founded with a strong community spirit, Eden Fishermen's Club continues its dedicated connection to the local area. The club supports deserving community groups both within and outside the CDSE Scheme, which is designed by the government to ensure that registered clubs in NSW contribute to front-line services in the local community. Under the legislation, Eden Fishermen's Recreation Club is required to invest 1.5% of total gaming revenue in community projects under two specific categories. The first category covers community welfare and social services, community development and community health services.

The CDSE Category One recipients in our area for the year ending August 2010 totalled \$7700, those deserving community organisations were:-

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| Bega Valley Community Drug Action | Eden Pre-School centre |
| Men's Shed at Merimbula | Eden Childcare Centre |
| Aboriginal Evangelical Church Eden | Bega Senior Citizens Club |
| Quaama Rural fire service | Respite Care Bega Valley |
| Eden Men's Shed | Eden Local Aboriginal Council |
| Bandarra Children's Services | Cancer Council |
| Bega Valley Youth Council | Bega Local Aboriginal Land Council |
| Eden High School | Skills Training Employment Program Inc |
| South East Women's & Children Services | Tathra Children's Services Inc |

Category Two covers other community development and support services such as sporting clubs including junior sports teams, charities, etc... The recipients of a total amount of \$13 112 in cash and in-kind donations in our area for the year ending August 2010 were:-

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| Bega Hospital Maternity Ward | Eden Minor Rugby League |
| Eden Rugby League | Eden Amateur Fishing Club |
| Eden Combined Churches Debutant Ball | Eden Women's Bowling Club |
| Eden Swimming Club | Breast Cancer Institute of Australia |
| Eden Marine Technology High | Eden Men's Shed Committee |
| Eden Ladies Golf | Eden Primary School |
| Eden Men's Bowling Club | Bega Valley Shire Council |
| Eden Access Centre | Eden Lionesses |
| Eden Rotary | Eden Timber Memorial Committee |
| Eden Tourism Committee | Eden Whale Festival Committee |
| Legacy Australia | ESSCI |
| Eden Dads Army Golfers | Eden Community Radio |
| Eden Junior Whalers | Eden RSL sub branch |
| South Coast Timber Association | |

Our CDSE commitment for 2010 was \$14, 048 however we were able to return \$20,812 to the community through CDSE support which is \$6,764 (48%) over our required 1.5% mandatory amounts for the year. In 2009 we gave back \$ 28,777 to the community which was \$ 14,066 (100%) over the mandatory amount.

In addition to CDSE, the Eden Fishermen's Recreation Club also provides substantial financial assistance every year to a wide range of groups via sponsorships and donations. The club also provides venues free of charge for community meetings and conferences.

Where will these community groups and organisations get their funding from if the proposed Gambling reforms are adopted and our Clubs close?

The effect of the Reform on our Clubs

Speaking to the Launceston Examiner, Mr. Wilkie described a 40% reduction in revenue as "as a good outcome for reform". Should Mr. Willkie's assessment on the effect on revenue be realised many clubs across the state will not be able to continue. In analysis of our circumstances this Club will seek amalgamation once the perceived revenue loss approaches 10%. Should a suitable amalgamation partner not be found than our clubs in Eden will close.

The proposed legislation to introduce mandatory pre commitment presents a clear threat to the Eden Fishermen's Recreation Club and if introduced will have a crippling effect to our small community. The effects of the introduction of mandatory pre-commitment scheme as assessed by Mr. Wilkie means a substantial reduction in revenue in each calendar year in excess of a million dollars. Eden's local economy will bear the brunt of this legislation. We will not be able to afford a golf course or bowling facilities for locals, visitors or tourists, they will have to close. This will have a detrimental effect on the community. Each year our premises and facilities are utilised by everyone in our community from our school aged children to our most senior community groups including our aged care residents. We just will not be able to sustain our two Clubs for the benefit of our members or visitors including tourists. There will be no sponsorship or donations for our community. There will be no meeting places, no raffles, no bingo, no member's draws, no restaurants, no Club facilities, no function rooms, no employment, what will this do to our town? The introduction of mandatory pre-commitment scheme will affect every single resident of our community, it will effect the value of our family homes as was the case when the cannery closed.

The Cost of Pre-Commitment

Small Clubs such as Eden Fishermen's Recreation Club will find it virtually impossible to fund the required technology to comply with the proposed mandatory pre-commitment scheme. Our costs to comply with the reform technology are estimated at \$546,000. This massive cost is simply untenable for us as a not for profit organisation, we simply don't have the funds and cannot borrow to obtain them.

It has been pointed out in a recent media release that the cost of the introduction of mandatory pre commitment will cost as little as \$1.50 per machine per day. This would cost our Club an additional \$49,822 per annum. As previously stated our profit has averaged just \$35,000 over the past four years.

We also believe that to network the with new technology for mandatory pre commitment our gaming reporting system will be required to be upgraded at a cost estimated at \$650,000

Our view

Over the past decade our Clubs have overcome many hurdles and in particular the State Governments introduction of additional state gaming taxes. We feel that this new reform will not be able to be absorbed. At a recent crisis meeting our volunteer Board of Directors have agreed that should this gaming reform be adopted our Board of Directors would feel compelled to resign.

Eden Fishermen's Recreation Club is a not for profit organisation owned by its members for the benefit of its members, we provide a valuable service for our community. We have endeavoured to keep it that way but feel that this reform will end our financial viability.

The most likely scenario is that problem gamblers would use the internet or other forms of gambling. You can loose endless amounts of money via the online gambling sites, no mandatory exclusion scheme can stop that. The best practice is not to ostracise or criminalise people with (or without) gambling issues as would occur through the proposed Federal Independents scheme, but to help people overcome their problems through proven treatment regimes.

Mandatory Pre-commitment is a method of empowerment, not a solution to problem gambling.

Voluntary Pre commitment will allow us to further erode the instance of problem gambling without destroying an industry or in this case a town – Eden.

Yours sincerely,

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