

THE PARA HILLS COMMUNITY CLUB INC



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Committee Secretary
Joint Select Committee on Gambling Reform
PO Box 6100
Parliament House
Canberra ACT 2600

Inquiry into Pre-Commitment Schemes.

Dear Committee,

I am writing to you as General Manager of the Para Hills Community Club Inc, a Club servicing Para Hills and surrounding suburbs. It is located in the Paddocks sporting precinct 17kms north of the CBD of Adelaide, South Australia. The Club was founded in 1964 by the Para Hills Progress Association. It serves to provide the Community with support to sporting groups, seniors groups, individuals and community based organizations as well as charities.

It provides a social meeting place for over 6000 members and its amenities include a bistro seating 200 people, a function room seating 120 people, gaming machine lounge which has 34 electronic gaming machines and a club bar with a SA lotteries terminal and TAB facilities, dart & 8 ball teams. You could say it is a classic Australian medium sized Club.

The Committee of the Club and I am extremely concerned with the future of our Club, and the 59 staff we have employed. Our concerns rest with mandatory pre-commitment uniform across all states.

We know our business, we have actually won 25 state based awards since 1999 illustrating our commitment to excellence. We know that about 20% of our gaming patrons come to the Club to play gaming machines as well as Bingo, the remaining 80% of our gaming patrons migrate in and out of the gaming room as they come here primarily for dining, or associating with friends in the bar area or other purposes such as darts, 8-ball, carpet bowls or live entertainment, gaming activity is secondary to them. They are all what we class as recreational gamblers.

We estimate by consulting patrons and gaining an understanding from them for what is acceptable and what is not. They see forced big brother type methods as intrusive and will not participate. Most of them informed us they do not participate at retail shop surveys that ask for a postcode, such is their distaste for personal information being sought when they do not know who has access to it. It would be fair to say that there is a large level of skepticism about the purpose of such information. They have also added comments about “their right to spend their money as they see fit” etc. There is an overwhelming concern about privacy issues as well. So we have no option but to conclude that a majority of our patrons will simply reject such measures and spend their money on alternative forms of entertainment elsewhere.

Armed with that knowledge and seeking advice from the both Clubs SA and Clubs Australia we estimate that our gaming revenue would drop by 60% should a mandatory system be forced upon our patrons. Applying a 60% reduction in gambling revenue to our 2009-2010 financials illustrates the Club would become insolvent and be forced to close in the second year of such regulatory reform.

On behalf of our members we fail to see why we are faced with such a terminal future, when we administer Gambling in a responsible manner, are signed up to the Club Safe (approved intervention agency), have had Anglicare counselors praise us for the work we do by excluding people that have shown that the EGM product is harmful to them.

We also cannot fathom on who would pick up the enormous cost involved in retrofitting machines so that such a real time technology based solution across a national network could actually be facilitated, we estimate the cost for our room in just retrofitting the 34 machines we have to be \$170,000. Should that be our cost to bear then adjust the 2 years to be insolvent to 14 months.

The Club is not for profit, we support seven sporting clubs representing in excess of 500 children that participate in the sports they represent. Can you please explain where will they gain support from if we are forced to close? We also donate heavily to ‘Little Heroes’ which is a charity supporting children with Cancer along with other charities.

I have yet to see any data that concludes that a mandatory pre-commitment would be effective in reducing harm caused by electronic Gaming machines, seems to me history is full of evidence that prohibitive methods simply drives the problem elsewhere. The proposed reform will simply drive away recreational gamblers from the product (a legal product) to Lotteries products, TAB or sports betting and force people that may find gambling problematic into Internet Gambling where early intervention is impossible. We see Pre-commitment as but one tool of a number of tools offering a strategy to prevent harm caused by Electronic Gaming Machines. It would appear that Pre-Commitment is seen as the silver bullet, when research illustrates it is clearly not.

The key for success is ‘*supporting customer commitment*’ empowering people to make a choice that may be of an advantage to them, once you have empowered that person you have allowed them to embrace a tool that will assist them and they can self monitor how effective it is to them.

Mandating customer commitment and forcing people into something they do want or do not understand how it is relevant to them will simply drive people away damaging good legitimate community organizations that benefit local communities and placing employee’s lively hoods in jeopardy, and will do nothing about addressing behaviours that are problematic to certain people.

Clubs are no doubt the lifeblood of many of the State's sporting and community groups – providing facilities and equipment as well and local community support. Considering the attention 'Childhood Obesity' is getting then Clubs that facilitate communities with sporting facilities should be supported, not face an uncertain future. It is imperative that the Club Industry remains viable. I urge you to look at the entire picture, the cost, the benefits, the desired outcomes, and the massive fallout and associated problems that this reform could cause all in the community.

It would be irresponsible to have any reform without appropriate discussion on '**personal responsibility**' the power to change ones behaviour ultimately rest with the individual. There is only so much that a business can do to assist by way of appropriate literature and general awareness, the ultimate result rests with the individual to make a choice appropriate to their circumstances. A one size fits all solution does not exist as an option for gambling reform.

Yours Sincerely,

Cameron M Taylor
General Manager.