

Peter Cook
General Manager



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The Hon Dr Mike Kelly
Parliamentary Secretary
for Agriculture, Fisheries
and Forestry
PO Box 214
Queanbeyan NSW 2620



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8th December 2010

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8th December, 2010

The Hon Dr Mike Kelly
Parliamentary Secretary for Agriculture, Fisheries and Forestry
PO Box 214
Queanbeyan NSW 2620

Dear Dr. Kelly,

I would once again thank you for taking the time to meet representatives from the clubs situated on the Far South Coast.

Shortly after our meeting on the 1st October I received many calls from clubs in your electorate of Eden Monaro, to request if they could be included in the initiative taken by the Far South Coast Clubs. As a result of this request we have now expanded the group to include all clubs in your electorate. Please find below a list of all clubs in your Electorate of Eden Monaro.

- Adaminaby Bowling & Sports Club
- Batemans Bay Soldiers Club
- Bega RSL Club
- Bodalla Bowling & Recreation Club
- Braidwood Servicemen's Club
- Catalina Country Club
- Cooma Ex – Services Club
- Dalmeny Bowling Club
- Eden Fishermen's Recreation Club
- Jindabyne Bowling & Sports Club
- Merimbula RSL Club
- Moruya Bowling & Recreation Club
- Narooma Bowling & Recreation Club
- Narooma Sporting & Services Club
- Pambula Merimbula Golf Club
- Queanbeyan Bowling Club
- Queanbeyan Kangaroo RLF Club
- Queanbeyan RSL Memorial Bowling Club
- Tathra Beach Country Club
- Tura Beach Country Club
- Batemans Bay Bowling & Recreation Club
- Bega Country Club
- Bermagui Country Club
- Bombala RSL Club
- Candelo Kameruka Bowling Club
- Coolamatong Snowy Mountains Country Club
- Cooma Golf Club
- Delegate Country Club
- Eden Gardens Country Club
- Malua Bay Bowling & Recreation Club
- Merimbula Imlay Bowling Club
- Moruya Golf Club
- Narooma Golf Club
- Nimmitabel Country Club
- Queanbeyan Australian Football Club
- Queanbeyan Golf Club
- Queanbeyan Leagues Club
- Tathra Beach Bowling Club
- Tomakin Sports & Social Club
- Tuross Head Country Club

By banding together in one strong determined voice we hope to demonstrate the severe difficulty all clubs will face should your government, lead by Julia Gillard, proceed with the introduction of Pre Commitment and ATM restrictions.

At our last meeting you requested that we compile information regarding the actions clubs have taken to harness Responsible Gambling and what effect that these restrictions have had on problem gamblers. To comply with your request we have sent a comprehensive questionnaire to all clubs in your electorate regarding Responsible Gaming. To further impress on you we expanded the questionnaire to demonstrate the dire consequences of clubs in your electorate should these knee jerk policies be introduced. We received a response from 27 clubs which representing a 70% response rate. Please find attached a detailed response to the questionnaire.

Yours sincerely,

ON BEHALF OF THE REGISTERED CLUBS OF THE EDEN MONARO ELECTORATE

PETER COOK
GENERAL MANAGER
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8th December, 2010

The Hon Dr Mike Kelly
Parliamentary Secretary for Agriculture, Fisheries and Forestry
PO Box 214
Queanbeyan NSW 2620

Dear Dr. Kelly,

Please find below results from a recent survey sent to all clubs in your electorate, Eden Monaro. We received a response from 27 clubs which representing a 70% response rate.

- At the recent Clubs NSW Conference, it was suggested that gaming revenue may decrease by as much as 50% with the introduction of Mandatory Pre Commitment. If so, 74% of clubs believe that this will reduce wage cost by a minimum of 30%. Please note that 48% of clubs expect wage cost to reduce by 50% or greater.
- Direct wages are expected to decrease by a minimum of \$11.5 million per annum.
- Only two of the respondent clubs expect that they will remain buoyant although they expect that they will experience difficulty. All other clubs (93%) have indicated that they expect a bleak future with little optimism for survival with 20% of these clubs believe that they will seek amalgamation and if an amalgamation partner cannot be found they will slide into receivership or insolvency.
- The Clubs unanimously agreed they are willing to demonstrate the seriousness of mandatory pre commitment and ATM restriction by joining a mass meeting of Registered Clubs at Queanbeyan.
- Of the respondent clubs 74% have reported that the cost of introducing mandatory pre commitment (at a moderate estimate of \$6000 per machine) is not affordable.
- Using the moderate estimate of \$6000 per machine, clubs have estimated that \$11.3 million is required to implement pre commitment technology.

- Only one club has indicated that their existing gaming reporting system is capable of networking with the pre commitment system. Twelve clubs have reported that an upgrade to their reporting system will be required at an estimated cost of over 3 million dollars. The remaining fourteen clubs are unsure if their existing system will need to be upgraded.
- Twenty one clubs (77.7%) have indicated that they will face adversity/hardship should they seek finance to pay for pre commitment technology and updating of existing reporting systems. Six clubs have indicated that borrowings are not necessary, however cash flow difficulties may be experienced.
- Clubs that provide sporting facilities such as golf courses, bowling greens or tennis courts were asked "would your club consider the following if threatened with serious financial adversity caused by the introduction of mandatory pre commitment and/or ATM restrictions?." (Please circle)

Do not have sporting facilities, 4 Clubs

Reducing the amount of golf holes 2 Clubs

Closing golf course 3 Clubs

Maintaining the course to a lesser standard. 5 Clubs

Leaving golf course as is 1 Club

Reducing bowling greens 5 Clubs

Leaving bowling greens as is 1 Club

Closing bowling greens. 5 Clubs

Maintaining the greens to a lesser standard. 7 Clubs

Maintaining the tennis courts to a lesser standard. 1 Club

Closure 4 Clubs

Other reductions to sporting facilities 2 Clubs

Please note that only 2 clubs have indicated that they do not intend to reduce or close their sporting facilities.

Please note the responses are highlighted.

- Respondent clubs have unanimously agreed to display on and in their premises information for members in relation to your government's proposals and the dire effects that they will have on their club.
- Of the respondent clubs 89% of clubs believe that restrictions to ATM withdrawals will have a high to extreme influence on club revenue.
- Clubs have responded that 93% of members' rights (to withdraw their own money from their own accounts) and amenities (to utilise services provided for the community) will be a highly to extremely influenced.

- Clubs (89%) have indicated that to have any bearing on the outcome we must pursue this matter in a hard minded or aggressive manner to demonstrate our resolve to your government.
- All clubs have demonstrated a commitment to responsible gaming since (and before) guidelines were introduced in 2002.
- Since 2002 three hundred and twenty six persons have self excluded from clubs in your electorate.
- There are currently ninety four persons on self exclusion agreements in your electorate.
- Ten of the surveyed clubs have indicated that they have put on hold any future capital development. The short term cost is estimated at \$12.2 Million and long term is not measureable at this time.
- Clubs NSW has advised us that hundreds of clubs have closed over the last decade and that hundreds more may close over the next four years. Now that the Gillard Government is supporting mandatory pre commitment and ATM restrictions clubs have rated their optimism for the future as follows;

| | |
|---|-----|
| (a) A statistical causality – no future | 23% |
| (b) May survive if we drastically cut member services | 43% |
| (c) May survive if we find suitable amalgamation partner | 9% |
| (d) Bleak with no potential for future growth | 17% |
| (e) No real change | 4% |
| (f) Prosperous | 0% |
| (g) Continue to achieve great financial growth despite poor government policy making. | 0% |
| No response to this question. | 4% |

- Generally speaking, clubs this electorate will be reluctant to afford amalgamation to clubs seeking amalgamation.
- There are many other services provided to the Community that are subsidised by the Clubs. Please see the attached list of services that will be affected in your Community should the Clubs suffer the full anticipated deterioration as a result of the Gillard/Wilkie introduction of Mandatory Pre Commitment and ATM restrictions. Of the 17 Clubs that responded to this question, 228 Community Groups or Organisations will either have no or limited donations/sponsorships.

- Clubs were required to respond to the following in regard to responsible gaming by circling what they believed to represent the success of RSG; Question; in comparison to five years ago how you rate the change in;
 - (a) General awareness to problem gambling;
none, slight, relative, significant, massive.
 - (b) Patron familiarity with Club Safe programme;
none, slight, relative, significant, massive.
 - (c) Patron awareness of self exclusion program;
none, slight, relative, significant, massive.
 - (d) Board, Management and Staff commitment to problem gambling;
none, slight, relative, significant, massive.
 - (e) Willingness of problem gamblers to seek help via counselling/self exclusion;
none, slight, relative, significant, massive.

Please note the collective most common response is highlighted.

Yours sincerely

ON BEHALF OF THE REGISTERED CLUBS OF THE EDED MONARO ELECTORATE

PETER COOK
GENERAL MANAGER
EDEN FISHERMEN'S RECREATION CLUB
PHONE 02 64961577



Friday, 10 September 2010
Please quote our reference: 135:PN

Mr Peter Cook
Chief Executive Officer
Eden Gardens Country Club
PO Box 117
EDEN NSW 2551

Dear Peter,

I write to you in disgust following the announcement by Prime Minister Julia Gillard about new policy commitments on gaming machines made to woo Tasmanian Independent MP Andrew Wilkie to support Labor and keep her in Government.

This decision contradicts a written commitment given to ClubsAustralia by the Labor Government on 5 August before the last Federal election. A Prime Minister has just reneged on an agreement to 4,000 Australian community clubs, their 80,000 employees and 10 million members. They have been sold down the drain on an issue that was never raised by Labor during the election campaign. These events were out of our control and we did all we could before the election to secure written commitments from both Labor and the Coalition on our main concerns including gambling policy. This we did for what it was worth.

At 8.30am last Thursday I recorded a ClubNEWS segment to go to air on Sky Channel the next day. During that interview, I was asked whether commitments from politicians were worth the paper they were written on. Clearly, in this case, they were not.

To appease Mr Wilkie, Ms Gillard has announced that a Labor Government would introduce a maximum daily ATM withdrawal limit of \$250 in venues with poker machines. Never mind that in Mr Wilkie's own State of Tasmania – where ATMs are not in clubs or pubs – there is a higher rate of problem gambling than in NSW, Queensland or South Australia, where they are permitted. So, the logic here just escapes me. Never mind that in some communities the club ATM is the only means available of securing cash. Never mind the safety and security aspects. Never mind increased transaction costs. Never mind the gross inconvenience to people who have every right to access their own money for whatever legal purpose they choose. This is a disgraceful decision we oppose.

As well, the Agreement with Mr Wilkie would see the introduction of compulsory precommitment technology by 2014. That well may mean every single person, including the 99.6 per cent of people who have no gambling problem, will require an "Australia Card" type licence containing expenditure limits (which also well may be dictated by the Government and its anti-club supporters) before being permitted to play a gaming machine. This is treating every single person as a problem gambler and smacks of a Nanny State.

.../2

Since this announcement, ClubsNSW, ClubsAustralia and a number of individual clubs and community leaders and commentators have carried our message to the Australian people through many media contacts and face-to-face contact. We have been in contact with executive members of the Federal Coalition, Labor representatives, the NSW Government and Opposition, the ACTU and individual Trade Unions whose members' jobs are at risk. Our affiliated club associations and the Club Managers Association Australia also are playing their part in airing this disgrace.

Like other struggles we have faced through the Club Industry's proud history, this also will require unity and strength of commitment by us all. I look forward to your ongoing support as the future of our community clubs becomes clearer in these uncertain times.

Yours sincerely,

PETER NEWELL OAM,
Chairman

Peter Cook

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Sent: Wednesday, 24 November 2010 12:29 PM

Subject: WILKIE COMES CLEAN ON COST TO CLUBS OF FINGER PRINTING POKIE PLAYERS

Attachments: 24.11.10 Wilkie comes clean on cost of finger scanners for pokie playersx.pdf

WILKIE COMES CLEAN ON COST TO CLUBS OF FINGER PRINTING POKIE PLAYERS

ClubsAustralia says Andrew Wilkie's admission this morning that his deal with the Prime Minister for a mandatory pre-commitment system will reduce club revenue by up to 40%, translates into a \$2.1 billion annual loss for Australia's 4,000 registered clubs.

Speaking to the Launceston Examiner, Mr Wilkie described a 40% reduction in revenue as "a good outcome for reform".

Executive Director of ClubsAustralia Anthony Ball said it is the first time Mr Wilkie or Senator Nick Xenophon had quantified the size of the damage on clubs of forcing Australians to use a finger scanner or similar big brother type technology when playing poker machines.

"Andrew Wilkie's admission will have every state and territory treasurer on the phone to Wayne Swan today asking if they will be compensated for the billions of dollars they will lose in state tax if this technology goes ahead.

"Mandatory pre-commitment will create a huge black hole for clubs, hotels, governments and community and sporting groups, and neither Andrew Wilkie nor Nick Xenophon has been honest enough until now to admit it.

"Australia's 4,000 clubs alone have this year paid \$1.3 billion in tax to state and territory governments.

"When gaming revenue is slashed by 40%, taxpayers will be the ones to suffer. They will either have to make do with reduced services as a result of the tax shortfall, or governments will introduce new taxes to fill their budget black hole.

"Now that Andrew Wilkie has come clean on the damage of his ill conceived mandatory pre-commitment plan, he needs to admit that a \$2.1 billion reduction in club income will cost thousands of jobs, close clubs and dramatically reduce donations to sporting groups and charities.

"Everyone knows this plan to finger print pokie players is destined to fail. Even government MPs have conceded that recreational gamblers will neither jump through Wilkie's nanny state hoops nor accept the government telling them how much they are allowed to gamble.

"A far more effective policy would be to make pre-commitment voluntarily for the player, which empowers the problem gambler and doesn't punish the recreational gambler," Anthony Ball said.

Jeremy Bath

Media Relations Manager

ClubsNSW / ClubsAustralia

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25/11/2010

Peter Cook

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Sent: Sunday, 21 November 2010 11:44 AM

To: Peter Cook

Subject: FYI...

Wilkie warns he'll bring down Gillard

Josh Gordon

November 21, 2010

KEY independent Andrew Wilkie has warned he will immediately withdraw his support for the Gillard government if it fails to honour a deal to introduce new technology forcing poker machine players to set binding limits on their losses.

Clubs and hotels strongly oppose the change, claiming the mandatory pre-commitment system demanded by Mr Wilkie will trigger industry-wide job losses and huge revenue cuts for state governments. But Mr Wilkie - who helped Labor secure a second term with an agreement to rein in the poker machine industry - said the reform was not negotiable.

Advertisement: Story continues below

"There should be no misunderstanding at this point that if the government was to renege on this aspect I would pull my support instantly," Mr Wilkie told *The Sunday Age*. "There shouldn't be any uncertainty about what is going to be implemented, because my agreement with the Prime Minister is absolutely clear: it is a uniform, full system, a mandatory system."

Under the agreement to win Mr Wilkie's support signed in September, the government promised to introduce a "best practice, full pre-commitment scheme" across all states and territories by 2014. That means players will be asked to set a limit on how much money (and possibly time) they want to spend, with an option to choose not to set a limit at all if this is their preference. The limits will be enforced using identification technology, most likely involving the use of smart cards.

Labor holds a single seat majority in the House of Representatives, meaning Mr Wilkie's vote is critical. The reforms are unlikely to come cheaply, with the government preparing to fight a backlash from the states and the gaming industry.

Documents publicly released after a freedom of information request show federal Treasury has already warned the Gillard government that such measures "will reduce state and territory gambling tax revenue". Economic modelling commissioned by Clubs Australia concludes it would cost \$134 million to retrofit the new technology on Victoria's 26,762 gaming machines in clubs and pubs (excluding Crown Casino). Using information from Norway, the only country to have introduced a mandatory pre-commitment system, the industry says the Victorian government will lose \$485 million in gambling tax revenue, compared with \$285 million under a voluntary pre-commitment system that is supported by the industry. The modelling also found the loss of revenue for pubs and clubs in Victoria would be \$861 million in 2014, compared with \$521 million under a voluntary system.

Clubs Australia executive director Anthony Ball said the approach demanded by Mr Wilkie represented a "nanny state" system that would crush the industry. "A mandatory pre-commitment system where people have to register for a card or worse still, use a finger scanner, will send recreational gamblers running for the hills," Mr Ball said. "Ironically the only people who would be willing to jump through such hoops would be those with a gambling problem."

But anti-gambling advocates have accused the industry of being loose with the facts. Independent senator Nick Xenophon said the effect on state budgets had been overstated, given any money not lost on poker machines would be spent in other areas of greater benefit to the state economy.

The Sunday Age has also learned of simmering tension on the government's 22-person expert advisory panel, comprising academics, unionists and nine hotel, club and gaming industry representatives. The panel, led by former Department of Prime Minister and Cabinet head Peter Shergold, met for the first time earlier this month. Participants have signed confidentiality agreements.

But in a looming conflict, anti-gambling advocates on the panel want any smart card data providing information on individuals' gambling habits to be held by an independent agency and used for research, warning that the industry could attempt to misuse the data for targeted marketing.

A spokeswoman for Families Minister Jenny Macklin said the government supported the introduction a "full pre-commitment system as recommended by the Productivity Commission".

The commission's gambling report released in June estimated there were 115,000 people classified as "problem gamblers" in Australia, with a further 280,000 people categorised as being at "moderate risk". It said the social cost of problem gambling was at least \$4.7 billion a year and recommended a "full" pre-commitment system.