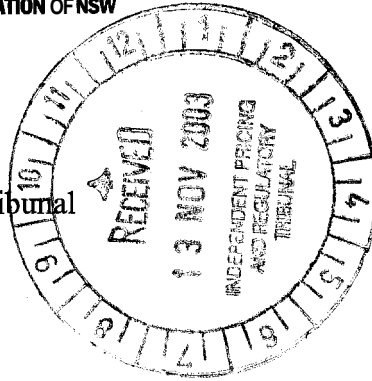


THE LEAGUES CLUBS' ASSOCIATION OF NSW



Premier Sponsor



Paynter Dixon Constructions

Monday, 10 November 2003

The Chairman  
Independent Pricing and Regulatory Tribunal  
Level 2  
44 Market Street  
SYDNEY NSW 2000

Corporate Sponsors



Dear Professor Parry,

BARRINGTONS

The Leagues Clubs' Association of NSW was first formed in 1961 for the express purpose of ensuring that the interests of licensed leagues clubs were better represented in both Government and Industry Forums.



Whilst our Association is firmly united with ClubsNSW, issues still arise from time to time which draw a specific focus on the larger clubs and this enables the Association to provide added support and representation to Government. Our membership is predominantly leagues clubs but we also have some non-leagues clubs as members, including Blacktown Workers, Warilla Bowls and Recreation and Bankstown Sports Clubs.

Whilst not all of our clubs are large clubs, the majority are. Indeed, whilst having only about 4% of clubs in number, the revenue base of our membership is of the order of 30% state wide.

From the Association's perspective, we believe it is important to establish with the Tribunal that the initiative for this review was born out of undertakings by Minister McBride, arising from complaints arising from the Club Industry and others that existing harm minimisation measures in fact were not evidence based and indeed have been proven to have little or no impact on problem gambling. The inference being, of course, that the review should be seeking to downscale or abandon existing measures which have not been effective..

Certainly, the cost to the community as a result of the stifling impact these measures have had on club growth, administrative inefficiencies which they have encouraged and the adverse impact on the enjoyment of the vast majority of recreational gamblers, combined to suggest that they were ill-founded in the first place. With this background in mind, it is the Association's strong belief that the whole thrust of the Tribunal's review should be directed at weighing up the nett economic benefits of keeping the existing measures as against the nett economic benefits of abandoning them. Certainly we believe that any existing measures which have had no scientific evidence to support the premise that they reduce harm should be abolished.



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WNSW TO THE PEOPLE OF NSW

For the information of the Tribunal, the Association is also a member of the Gaming Industry Operators Group which will be making a very comprehensive submission on the specific Terms of Reference. In addition, a number of our member clubs are also members of Betsafe, which will also be addressing the Tribunal.

Whilst I will not go into specific detail on all matters within the Terms of Reference, I make a number of specific observations, gleaned from a recent survey of o w clubs.

## **1. CIRCUIT BREAKERS**

### **1.A Compulsory Shutdown of Gambling Venues**

Several Clubs have reported that the compulsory shutdown of machines has had a dramatic impact on recreational gamblers who used to frequent their clubs during the shutdown period. These recreational gamblers are typically shift workers, such as nurses, factory workers, printers and taxi drivers. In some cases, these patrons have advised their clubs that they have moved on to 24 hour gaming facilities elsewhere, e.g. Star City Casino.

There has also been a reduction in employment due to the shutdown. Western Suburbs Leagues Club, Ashfield for example has reduced staff hours by the equivalent of twelve (12) full time jobs when the closure was extended from 3 hours to 6 hours.

### **1.E Restriction on Alcohol Consumption by Gamblers**

All member clubs adhere to the Responsible Service of Alcohol policy and would not allow any patron of the club to continue consuming alcohol if they show any signs of intoxication, whether they are gambling or not. It is the right of all club patrons over the age of 18 years to consume alcohol in a responsible manner.

### **1.F Performance of Self-Exclusion Schemes**

As stated earlier, many leagues clubs are members of Betsafe and they consider that self-exclusion is a highly effective form of assistance for problem gamblers which does not affect recreational gamblers.

There is a considerable range of policies in self-exclusion schemes. Betsafe clubs go to considerable lengths to provide the most effective self-exclusion schemes with the following elements:

- Comprehensive on-going staff training in self-exclusion.
- Active promotion of self-exclusion among staff and patrons.
- Immediate processing of self-exclusion requests.
- 24/7 staff assistance with self-exclusion
- Club takes patron's photo with digital camera
- Minimum disqualification of six (6) months.
- Multiple self-exclusion procedure.
- Effective third party exclusion procedure.

- Effective monitoring and sanctions to reduce breaches of exclusion.
- Tough re-entry interview procedures.

## **2. INFORMATION FOR GAMBLERS**

### **2.C Information on Brochures Required in Gaming Venues**

Once again, many of our clubs are members of Betsafe and provide all signage and literature recommended by Betsafe along with all statutory signage and literature. Our clubs believe these tools are effective and assist with patrons of all ethnic backgrounds who have difficulty with the English language.

### **2.G Payout Ratios and Probability of Winning Specific Prizes**

Advice from our member clubs suggests that singling out gaming machines may not be fair. Many believe that all payout/win ratios for all forms of gambling should be identified when this type of information is displayed.

### **2.H General Advertisements Highlighting Problem Gambling**

Problem gambling is a community health issue and it is desirable to have a general community awareness of the risks and dangers of problem gambling.

Advertising should emphasise the need for the individual to gamble responsibly by setting a budget and sticking with it. It should incorporate TAB, Keno, Lotto, OzLotto, Pools, Powerball and lotteries. Advertising tip trucks full of \$20 and \$50 notes delivering winnings is hardly conducive to responsible gambling. Problem gambling counselling services also need to be promoted to ensure awareness.

## **3. LIQUIDITY CONTROLS**

### **3.E Lower Limits on Maximum Bets on Gaming Machines**

There is no evidence to support this as an effective harm minimisation measure. To the contrary, credible research carried out by the University of Sydney recently, confirmed that lowering the bet limit has no impact on reducing problem gambling.

### **3.5 Forced Payment of Winnings When a Certain Level is Reached and Payment Then to be Only By Cheque**

There is no evidence to support this as an effective harm minimisation measure. In fact, there is evidence to suggest that the existing arbitrary \$1000 exacerbates the plight of problem gamblers who tend to want to cash their cheques promptly, sometimes at a substantial discount at the hands of unscrupulous “loansharks”. At the very least, the limit should be increased to \$3,000 or abandoned altogether.

Finally, we make the following overall observations:

- ❖ No evidence that shutting down gaming machines helps problem gamblers.
- ❖ No evidence that restricting promotions reduces the gambling habits of problem gamblers.
- ❖ No evidence that smoking causes problem gambling, nor that problem gambling is related to smoking.
- ❖ Signage requirements are costly to maintain and replace and no evidence that this measure relates to harm minimisation. Over saturation of signage has led to patrons ignoring them completely.
- ❖ Player information brochures – no evidence of any usage. Foreign language brochures have never been requested from most clubs.
- ❖ Few if any request, ever for Player Activity Statements.
- ❖ Role of Community Services – including problem gambling counselling services, of doubtful value. One major club reported only eight (8) people referred to counselling services in nearly three (3) years, which represents 0.0178% of its membership.
- ❖ Information on tickets is very small. No evidence that anybody reads it.
- ❖ Clocks – no evidence that visible clocks make any difference.
- ❖ Cheques – definite need to increase cheque cashing limits and to increase the minimum limit for cheques on prizes to over \$3,000.
- ❖ Player Reward Schemes – existing restrictions only impact adversely on recreational gamblers. Restrictions should be relaxed.

The Association wishes the Tribunal every success in determining balanced outcomes from its deliberations and to offer any assistance if required.

Kind regards



**David K Williams**  
**CHIEF EXECUTIVE**