

## **Pre commitment**

The Federal push for a national, mandatory pre commitment scheme hangs like a dark cloud over clubs with gaming businesses. In particular smaller clubs such as ours who have a low gaming turnover, and who rely primarily on tourism and a more social patronage of their gaming facilities to generate their gaming income. The proposed scheme, or at least what we have been told in dribs and drabs from the so called policy makers so far, will hurt these smaller clubs far more than what has been stated.

In most media reporting the view is taken that the clubs are mounting their campaign against this policy in order to preserve revenue they currently derive from problem gamblers. This could not be further from the truth and more importantly is a most unbalanced reporting of the rationale that forms the basis of the Clubs Australia campaign. The notion that Clubs would actively pursue revenue from problem gamblers whether identified as having a problem or not is completely nonsensical. Clubs decide to operate a gaming machine business purely for the purposes of benefiting their members and the wider community through the provision of best practice club facilities and a broader community support in line with their objectives. These outcomes provide valuable community assets and are only possible with a well-managed and sustainable business model. Clearly targeting revenue from these sources is contrary to this principle. Clubs have a responsibility to their members and guests to provide their gambling services in a responsible manner, and endeavour to do so at a local, state and national level through the venues, state and national representative groups and associations the deal with.

The campaign by clubs against the federal reforms is not protectionist but is based on some fundamental principles and concepts that are not only flawed but that form the basis of the federal policy. The policy does not address the issue of problem gambling. Whilst it will have a drastic effect on the revenue clubs are able to derive from their gambling operations it will not have a proportionately positive effect on the issue of problem gambling. The vast majority of revenue reduction, in particular in the case of small clubs like ours, will be from revenue that is derived from legitimate recreational and social play. This is an area where clubs by their nature will be disadvantaged far more than Andrew Wilkie would dare admit. The revenue losses, estimated at up to 40% by some, will directly reduce the ability of clubs to provide the valuable community assets and facilities that they currently do. When you consider the considerable debt incurred by clubs with gaming in order to provide these facilities, along with capital outlays currently being invested in to secure licenses and machines for 2012 through to 2022 the consequences of implementing this policy could be disastrous. When viewed along with the former, the contention that many clubs would fold as a result of this policy is a frighteningly real prospect.

The policy is driven by a deal made by Julia Gillard to Secure the vote of Independent Andrew Wilkie to form a minority Government, a deal that enabled a government to be formed that had nothing to do with the policies the public voted on or for that matter any agenda on which Mr Wilkie was elected on the back of. The policy follows a personal agenda and lacks common sense and the ability to engage the industry in a positive and collaborative approach towards addressing what is a serious concern for the community.

The reforms will hurt small clubs and are overly generalised and simplistic in their approach to what is a very complex issue. The concept of pre commitment is not one that clubs are against. Clubs are

against being stripped of legitimate revenue that is channelled back into the community in a number of ways. Revenue that is derived primarily from members and guests who are not problem gamblers. Revenue that is the result of clubs offering first class hospitality and entertainment options in order to support their primary sporting existence.

Gambling support services applaud the existing Self Exclusion Programs as an effective means of reducing the incidence of problem gambling in Victoria and assisting problem gamblers. The cornerstone of these programs is that they are voluntary; they do not operate on a banning or a prescriptive basis. Patrons identify they have a problem, often through the intervention of family and friends, and often through the assistance of gaming industry employees, and take steps to address their problem. They are supported by counselling services both personal and financial and they sign a legal document of their own volition to not enter or remain in the gaming area of venues that they nominate. Those venues then do their best to support the excluded patron in a discreet and positive manner. If these programs are so effective then why any new policy would clearly skip the most important part of a successful process, the persons buy-in to the process that directly addresses the issue once identified, is incomprehensible.

Pre commitment is a viable manner in which to address the issue of problem gambling only if it is a part of an overall strategy that engages the people it is aimed to assist and the industry that delivers the services and products. In order to achieve this, any system must be voluntary and supported through education and facilitation with existing gambling support services and industry participants already working amongst the varied issues associated with problem gambling. This is exactly what the federal policy fails to do, and Mr Wilkie has no intention of acknowledging this fact or the fact that the policy will not work.