



**CLASS 1 LOCAL IMPACT
ASSESSMENT**

**Venue Number: 239217
116 Edinburgh Drive, Taree**

June 2009

CLASS 1 LOCAL IMPACT ASSESSMENT

OLD BAR BEACH BOWLING CLUB LTD – TRADING AS TAREE WEST BOWLING CLUB

LOCAL IMPACT ASSESSMENT (CLASS 1)

1) GENERAL INFORMATION

- Old Bar Beach Bowling Club Ltd, trading as Taree West Bowling Club (“the Club”) is located in the Taree Local Government Area (LGA), classified as in Band 2 by the Casino, Liquor and Gaming Control Authority as part of the Gaming Machines Amendment Act 2008 No 99. As such, a Class 1 Local Impact Assessment is submitted requesting a poker machine threshold increase of 20 poker machines, which constitutes a low range increase according to this same Act.
- This small increase is required to meet extra demand by predominantly social players during peak trading times, namely Wednesday, Thursday, Friday and Saturday nights.
- The Club currently holds 22 approved gaming machines, thus an increase of 20 poker machines would bring this total to 42, which would be implemented over a two (2) year period.
- The projected revenue from an extra 20 poker machines is \$371280 per year. However once all related expenses are taken into account this figure is reduced to \$130344.
- As a result of a range of factors both internally and externally of the club the Club’s profits have been steadily declining over the past few years. This has unfortunately resulted in a substantial decline in funding available to the Taree West community and also other needy groups in the Manning district and thus had a negative impact on the local community.
- Even a low range increase of 20 poker machines would result in a variety of positive outcomes for the region and particularly the growing Taree West community.
- Employment opportunities would increase both directly and indirectly as a result. An estimated extra \$20,000 would be spent yearly on wages within the Club.
- The local economy would benefit as the Club would increase spend on local suppliers, as well as encourage local spend by residents by providing a more attractive venue and thereby preventing the need to travel outside the area to seek entertainment.
- The extra revenue from these poker machines would allow the Club to more easily maintain its current affordable pricing levels to its members and guests, and also provide the potential for expansion of the club facilities.
- There are;
 - other clubs and/or Hotels
 - schools, hospitals or public place of worship
 - sporting or community facility within the 1 kilometre radius specified.
- The people of NSW would benefit through a decrease of ten poker machines in the overall NSW pool.
- The Club adheres to all harm minimisation and responsible gambling measures stipulated in the Gaming Machines Regulation 2002 and the Gaming Machines Act 2001. Furthermore, Taree West has adopted the Clubs NSW Registered Clubs Responsible Conduct of Gambling Code of Practice – Best Practice Guidelines principles and is a member of the ClubSafe Responsible Gambling Program.
- The Club has a serious commitment to responsible gaming and ensures all gaming staff undertake extensive in-house training, as well as completing a Liquor Administration Board approved Responsible Conduct of Gambling course and follow a strict cheque cashing procedure.
- The following information should demonstrate that an increase of 20 poker machines at the Club would have a net overall positive outcome for the community of Taree and the Manning Valley region.

It is projected an extra 20 poker machines on the floor should generate approximately \$372000 in revenue (\$18600 each). However from this amount, the following expenses (approximate amounts) would be deducted:

Revenue; \$372,000

Expenses;

Tax @ 20% \$74400

Finance Fees \$36036

Depreciation on machines \$80000

Depreciation on cabinets \$12500

Maintenance/CMS \$15,000

Staffing @ 6% \$20,000

Promotions @ 1% \$3720

Total Profit \$130344

This remaining amount would be utilised to repair and maintain existing member facilities which are in need of serious attention. Also due to an increase in member demand we will further develop the Taree West premises to a standard the Manning Valley residents and visitors to our region have come to expect. As we are one of the smallest clubs within the Manning region we find it difficult to attract new members and social gaming machine players to our club mainly through a lack of variety in machine type and machine entertainment features.

The following submission outlines an application for a threshold increase of 20 poker machines for the Old Bar Beach Bowling Club Ltd/ Trading as the Taree West Bowling Club, pursuant to the recently amended Gaming Machines Act 2001.

In accordance with sections 32 to 37 of the Gaming Machines Amendment Act 2008 No 99, a Class 1 Local Impact Assessment is submitted herewith, detailing the benefits the Club will provide to the local community as well as the range of harm minimisation and responsible gaming measures employed by the Club. A copy of this Local Impact Assessment is available for public inspection at the Club during operating hours.

The 20 poker machines requested are required to meet extra demand on Wednesday, Thursday, Friday and Saturday nights as well as any other busy times such as public holidays. During these peak trading times there are often not enough gaming machines to service patrons, the vast majority of whom are social players. Furthermore, the shortage of poker machines during these peak times often leads to patrons playing higher denominational machines as these are the only machines left. Thus an increase of 20 poker machines is unlikely to have any negative impact on problem gamblers, but should have a positive impact on social players during peak trading times.

SPECIFIC INFORMATION

Old Bar Beach Bowling Club Ltd (Trading as Taree West Bowling Club) is located in the Greater Taree City Council City Local Government Area, classified in Band 2 by the Casino, Liquor and Gaming Control Authority as part of the Gaming Machines Amendment Act 2008 No 99. The Club occupies a substantial free hold premises at 116 Edinburgh Drive, Taree. The operating hours of the club are from 10.00am to 11.00pm daily.

The Club currently holds 22 approved gaming machines and provides a range of food and beverage services, regular live entertainment, promotions, TAB, Keno services. We provide substantial family friendly areas within the club premises both indoors and outdoors, free from any gaming machines. This highlights our club's focus on low key live entertainment, dining, and other social activities as a vital component of the Club's service offering.

Another significant focus of Taree West Bowling Club is a commitment to the local sporting community with a substantial amount of money is donated annually to local sporting groups, as well as other community organisations.

BENEFITS TO THE LOCAL COMMUNITY

Despite the fact an extra 20 poker machines represents a low range increase, a range of positive benefits would result from this increase if it is approved. The benefits of increased employment, maintenance of the Club's commitment to affordable food and beverage pricing, increased spend in the local area and most importantly the possibility of the increase in revenue generated pushing our club over the CDSE threshold.

Potential benefits are discussed below.

Increased Employment Opportunities

An increase of 20 poker machines would necessitate extra staff to cover the increase in demand for food, beverages, pay outs and general customer service on the gaming floor. Staffing costs in gaming alone are set to approximately 6% of gaming revenue. An extra 20 pokies will generate an estimated \$372,000 per year, thus wages will increase by approximately \$20,000 per year if the application is approved.

Expansion of gaming would also provide increased opportunities for employment and training through the refurbishment and implementation phase of the gaming floor, for both internal employees and external businesses.

Furthermore, the projected increase in revenue that would be generated through the extra poker machines would encourage and accelerate plans for future refurbishments within the Club, which would result in further increases in employment, both directly and indirectly.

Any increase in employment would be extremely beneficial within the Taree LGA, particularly in the current economic climate where unemployment is projected to rise steadily. Given the great majority of our staff are drawn from our local community; it would further benefit the Taree region by keeping funds within the region.

Increased Expenditure on Local Suppliers

Additional poker machines will result in an increase in local spend by the Club. Organisations in the local community that service the Club will benefit from the increased demand for goods and services brought about by increased patronage, maintenance requirements and refurbishments.

Maintenance of Affordable Pricing of Club's Services

The provision of additional gaming machines will provide the Club with more scope to maintain affordable pricing policies for members and guests for supporting services. This would apply to all areas of the Club, including food and beverage services, membership fees and functions. It is important to note that this benefit would be received by all members of the community who utilise these services and not just gaming machine players. For example, many schools, community organisations and local business utilise our rooms for their functions and our bistro is frequented by many families in the community.

Encourage Spend in the Local Region

Increased revenue from extra gaming machines could provide further scope to diversify the Club's service and entertainment mix and thus attract visitors from outside the region which will create further revenue injections into the community. A more attractive entertainment and gaming venue could also prevent Taree residents from visiting venues outside the area and thus spending their money in other regions.

Taree West Bowling Club has always provided considerable financial support to many local groups within the Taree area. In particular, the Club is heavily involved with a great number of local sporting bodies who often rely on the Club's substantial contributions to continue. Furthermore, the Club has a policy of only supporting grants to applicants from inside the Taree LGA to ensure funds are kept in the region.

Unfortunately given the decline in profit over the past few years as a result of economic conditions, legislative changes and changes to poker machine taxes, the Club's spend on community activities has also decreased (see table below). This decrease has inevitably negatively affected the community of Taree who obviously benefit greatly from the Club's support.

Table: Trading Profit 2006 – 2008

2006	\$78,685
2007	\$13,217
2008	\$13,181

To a large degree the dramatic downturn in profit for the Taree West Bowling Club can be attributed to the Club's inability to compete with the larger registered clubs in the area. The Club's inability to expand its member services has been detrimental to its membership base with quality of services and facilities declining with the profit. The projected increase in revenue from an extra 20 poker machines would provide the Club with the means to not only increase community expenditure, but also provide our Club with an increase in revenue to fund improvements and therefore further enhance member satisfaction.

Overall Decrease in Poker Machines in NSW

Pursuant to the current legislation, an increase of 20 poker machines would result in another 10 poker machines being taken out of commission. To gain an increase of 20 poker machines, Taree West Bowling Club would be required to buy 30 gaming machines and relinquish 10 of these machines to the State Government to dispose of. This would lead to a decrease of ten poker machines in operation in the state.

HARM MINIMISATION AND RESPONSIBLE GAMBLING MEASURES

In order to provide a responsible gambling environment and comply with the relevant legislation, Taree West Bowling Club has adopted the Clubs NSW Registered Clubs Responsible Conduct of Gambling Code of Practice – Best Practice Guidelines principles and is a member of the ClubSafe Responsible Gambling Program. The Club has lodged a Responsible Gambling Affidavit with the Liquor Administration Board. Furthermore, it has made all necessary changes to comply with the requirements of Gaming Machines Regulation 2002 and the Gaming Machines Act 2001.

The Club has adopted the following responsible gaming practices to comply with the above regulations:

- One of each of the six permissible gambling warning notices and one of two permissible problem gambling notices is located on each gaming machine in suitably sized letters (Clause 25).
- Notices supplying information on the chances of winning prizes on gaming machines are displayed in each part of the Club where gaming machines are located (Clause 21).
- Counselling signage notice is clearly displayed in the vicinity of the Club's main entrance (Clause 26).
- An approved problem gambling notice is clearly presented on each the Club's automatic teller machine (Clause 27). Moreover, the Club has located all ATM and EFTPOS machines in areas where there are no gaming machines.
- A fully functional clock is visible to any person playing a gaming machine.

- Approved Player Information Brochures are readily available and noticeably displayed in all gaming machine areas in English. A Player Information Brochure is made available in any of the twelve required languages as soon as practicable after a request. The Club has signage directing patrons to approach supervisory staff if they require a brochure in a language other than English.

Cheque Handling Procedure:

In terms of cashing cheques and making cheque payments, the Club has adopted the following procedures in accordance with legislation:

- Cheques are only to be cashed by members of the club who have previously applied in writing to the Board of Directors for permission to do so. The cheque is limited to a maximum amount of \$400.00 and one cheque per authorised person per day is allowed.
- All cheques presented for prizes that exceed \$2,000 or more are paid by crossed cheques payable to the patron.

The Payment of Prizes:

All prizes are awarded or paid to a prize winner on request or in the following manner:

- Monetary prizes: within 48 hours of request.

Cash Advances or Credit

The Club does not provide any cash advances or other forms of credit to any member or guest for the purposes of gambling, other than payment of allowable prizes and bonuses.

The Club does not allow the use of any credit facility to be used, so that a patron can represent any cash advance made by the Club, as a payment for goods and services provided. Club directors, management and staff strictly adhere to this policy.

Advertising, Promotions and Inducements to Gamble

The Club does not offer any unlawful inducements to gamble such as free or discounted liquor promotions to gamblers or any schemes that allow free gambling credits to be distributed to gaming machine players.

The Club does not use the word Casino in any description or promotion of the Club in signs, advertising or promotional material which is visible or audible from outside the premises. The Club's gaming machine signs comply with Section 44 of the Gaming Machines Act 2001. The Club will not publish in any form information that identifies a winner of a prize of more than \$1,000 in value, if requested not to do so in writing.

Self-Exclusion Scheme

The Club has adopted the ClubSafe self exclusion scheme. Appropriate staff training has ensured that staff know when to talk to patrons about self-exclusion and how to process their request.

As part of this scheme, the Club:

- Does not refuse any person requesting self-exclusion to be excluded from participation in the scheme. If a request is made, the Supervisor will explain the process to the person and present the relevant documentation.
- Ensures that all participants sign a written undertaking not to gamble in the Club which clearly states the period of exclusion. Furthermore, the Club does not allow a participant to withdraw from the undertaking without the consent of ClubSafe who will ensure the participant undergoes a rigorous assessment process to ascertain the progress the person has made in managing their gambling problems. The Club employs a minimum three month exclusion period as per the ClubSafe model.
- Allows a participant to obtain independent legal or professional advice before signing the appropriate forms.

- Ensures all appropriate information about gambling related counselling and treatment services available to patrons is displayed on relevant signage or in brochures within the Club.
- Ensures staff are equipped to identify participants by displaying a recent photograph in areas accessible only to gaming staff as well as a folder with the details of all participants in it. The importance of identifying and removing participants is emphasised in staff training.
- Displays signs in the gaming area and reception foyer advertising the availability of the self-exclusion scheme.

As the Club is a member of the ClubSafe program, ClubSafe are the service provider for the provision of problem gambling treatment services for members and patrons. The Club displays a notice of the name and contact details of this provider. If a patron enquires about problem gambling counselling, staff will ensure that the person is made fully aware of ClubSafe, G-Line, Northcoast Counselling Service or any other provider in the vicinity of the gambler's residence. Any person who is identified as a problem gambler will also be advised of the Club's Self-Exclusion Scheme (see previous section). Brochure from ClubSafe detailing information on available counselling and the G-Line service are also prominently displayed and readily available at the Club. The Club and all staff take this service extremely seriously and take an active role in ensuring this information is available and known to any potential problem gamblers.

Staff Training and Rostering

All staff who undertakes any gaming related duties have all completed a Liquor Administration Board approved Responsible Conduct of Gambling course. Furthermore, as a member of ClubSafe, all staff have been trained in the ClubSafe program.

The Club has prepared three helpful workbooks which are distributed to all Club employees and regularly maintained and updated to reflect changing legislation and operating requirements, including:

- The Employee Staff Manual, which provides detailed information on responsible conduct of gambling, responsible service of alcohol and a range of other relevant work policies.
- Job Descriptions and Training Manuals, which outlines and describes the responsibilities, duties and skills required to complete tasks in all areas of the Club. This ensures all staff understands all aspects of their work, including those duties relating to the responsible conduct of gambling.
- ClubSafe Manual, which is available to all staff for training and revision purposes for responsible gaming procedures.

Monitoring Procedures to ensure that all the above procedures are maintained so that the Club provides a safe gambling environment, regular and thorough monitoring checks are completed as follows:

- Gaming machine sticker warnings are checked on a daily basis by staff
- The Site Manager completes a monthly compliance checklist
- A full audit based on the Office of Liquor and Gaming and Racing's Club Audit Program is conducted on an annual basis.

Conclusion

As a result of the introduction of indoor smoking bans, increasing economic problems and an increase in poker machine taxes, Taree West Bowling Club has been experiencing declining profits over the past few years. This decline has directly impeded the Club's ability to compete with larger clubs in our LGA and therefore limit our provision of support to local organisations, which is a practice the Club takes great pride in. The extra revenue expected from an increase of 20 poker machines would aid in stemming this decline in profit, and thus allow a greater monetary contribution to the community.

As evidenced by the preceding information, the Club has undertaken a number of measures to ensure that gambling activities are conducted in a responsible manner. The Club has shown a very high level of legislative compliance over an extended period of time.

Taree West takes its commitment to responsible gaming extremely seriously and these measures prove this dedication.

The potential positive impacts to the community of Taree (and also NSW more generally) in combination with the extensive harm minimisation and problem gambling initiatives undertaken by Taree West Bowling Club indicate a low range increase of 20 poker machines in the Club should result in a net positive outcome to the region.

Timothy McAlister
Taree West Bowling Club
PO Box 248
Taree NSW 2430
Site Manager

For and on behalf of the Board of Directors
Old Bar Beach Bowling Club Limited
Trading as Taree West Bowling Club