



REVIEW OF THE REGISTERED CLUBS INDUSTRY IN NSW

By Independent Pricing and Regulatory Tribunal

BETSAFE

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SUBMISSION

Overview of BetSafe

BetSafe is the leading independent responsible gambling provider in Australia. BetSafe was established in 1998 and now has over 40 NSW registered clubs as members.

Counselling program

BetSafe's responsible gambling program features a comprehensive specialist gambling counselling program including:

- 24-hour problem gambling specific helpline
- crisis counselling for problem gamblers threatening to self-harm
- face-to-face problem gambling counselling available both inside and outside of, business hours
- counselling for family and friends of problem gamblers

Responsible gambling service

As well as the counselling program, BetSafe also provides a comprehensive responsible gambling service for its member clubs including:

- A rigorous problem gambler self-exclusion program in which problem gamblers who self-exclude are referred to counselling, can self-exclude from multiple venues simultaneously and are subject to a counselling assessment process if they wish to end their period of self-exclusion and return to the gambling venue.
- A web-based self-exclusion database that enables the efficient and accurate recording and checking of self-exclusion details.
- An involuntary exclusion process where problem gamblers can be excluded from venues if there is a genuine risk of them causing harm to themselves or others due to gambling.
- A comprehensive staff training program including problem gambling awareness training for all club venue staff and management.
- A wide range of responsible gambling resources.
- Practical advice in managing an effective responsible gambling program.
- An ongoing audit program to ensure compliance with regulatory requirements.

Social contribution

Registered clubs recognise the need to reduce their dependency on gaming machine revenue and seek a more balanced income flow. This is a significant challenge, as generations of club patrons have

come to expect low prices for food, beverages and entertainment, all subsidised by gaming machine revenue. The reality is that registered clubs will continue to remain heavily dependent on gaming machine revenue, even as they expand their other services.

Gambling is an important recreational activity that is best conducted in a social situation. New South Wales offers its citizens a wide range of gambling recreational opportunities. Gambling is fair and fun for most people. Gambling makes an important contribution to the state's economy by way of gaming machine and other gambling taxes. Problem gambling is being addressed by a mix of government regulation and voluntary initiatives from the gaming industry.

It is important to recognise that the ready availability of recreational gambling in registered clubs and other locally-based terrestrial venues will protect the vast majority of NSW residents from the hazards of internet and telephone gambling, which are rapidly causing concern in many other parts of the world. When someone switches on their computer and starts gambling on a Caribbean internet casino, they have no protection from losing all their money in a game that is probably rigged, with no responsible gambling information, access to counselling, self-exclusion etc. Registered clubs are a significant reason why the NSW public has a lower level of concern about problem gambling than states such as Victoria and South Australia.

Gambling in registered clubs, whether it is gaming machines, TAB or Keno, is a highly regulated, carefully controlled activity. Problem gambling is a concern for a small minority of the population, and one that is being addressed by regulation, programs funded by the government's Responsible Gambling Fund, and industry-funded initiatives such as BetSafe.

Registered clubs are focussed on the welfare of their members, rather than merely maximizing their profits. When a member develops a gambling problem which may result in financial ruin or other harm, the registered club staff and management have good reason to take an active role in protecting that person's welfare. Clubs have a high ratio of staff to patrons. Club members value the personal attention that they receive from club staff. For many, the club is like a second home. BetSafe's responsible gambling program ensures that all staff in BetSafe clubs are aware of the issue of problem gambling and are ready to respond when a patron discloses a gambling problem. This ensures that problem gamblers are assisted with counselling and exclusion as soon as they are ready to ask for help.

New South Wales has made significant progress in addressing the issue of problem gambling. The group of registered clubs that participate in the BetSafe program of responsible gambling are all committed to providing the highest level of responsible gambling for their patrons, and exceeding the minimum legal requirements. BetSafe has provided 834 training sessions and 11,217 phone and face-to-face counselling sessions since its commencement in 1998. BetSafe has also processed a total of 5,094 exclusions for 1,700 patrons.

Gaming machines are the largest source of revenue for registered clubs and problem gambling is an area of great concern to the management of many clubs. The NSW Government has taken significant steps to create a responsible gambling environment by legislation, and counselling services funded with the 2% casino levy through the Responsible Gambling Fund. The government has not forced registered clubs to contribute to the gambling counselling services that their patrons use. This is a matter of concern to BetSafe clubs, who believe they owe it to their members to provide the best problem gambling counselling service available.

Contributions to the counselling component of the BetSafe program have been accepted under the health and welfare category of the CDSE scheme. It is appropriate that the gaming industry group that is responsible for the group of patrons who utilise a counselling service, should actually pay for that service.

The government funded helpline G-line does not have any direct links with gaming venues and relies upon signs, stickers and brochures for referral. By providing training to club staff on how to respond to problem gamblers, BetSafe ensures that staff understand the importance of telling patrons disclosing a gambling problem to call BetSafe. BetSafe provides a 24-hour helpline solely dedicated to gambling issues. Moreover, BetSafe telephone counsellors are able to arrange for face-to-face counselling and self-exclusion of problem gamblers efficiently, because they have actual knowledge of the practices and procedures of BetSafe member clubs.

Only a handful of government-funded services offer counselling appointments outside business hours. By contrast, BetSafe provides face-to-face gambling counselling in the evenings and on weekends, enabling counselling clients to avoid taking time off work.

By participating in the BetSafe program, BetSafe member clubs are able to offer a higher level of service than the government-funded agencies. By funding BetSafe counselling, BetSafe clubs are also reducing the demands on government-funded counselling services and G-line. BetSafe clubs have a sense of ownership of a counselling service that they use and actually pay for.

CHAPTER 6 CLUB ESTABLISHMENT, RELOCATION AND AMALGAMATION

There is no doubt that the club industry is going through a time of restructure.

Club patrons are seeking increasingly higher standards of service and quality of facilities, but still expect low cost meals and drinks. Traditionally, these have been subsidised by gaming machine revenue.

Clubs are increasingly aware of the issue of problem gambling, and many clubs are taking more steps towards responsible gambling and harm minimisation voluntarily and as required by legislation.

BetSafe provides a comprehensive responsible gambling program for registered clubs, comprising a 24 hour specialist problem gambling counselling hotline, face-to-face gambling counselling available during and outside business hours, a rigorous self-exclusion program incorporating a web-based computer database, practical responsible gambling training for all club staff (in addition to the prescribed mandatory course for gaming machine staff), a detailed range of responsible gambling signage, materials and more.

It is likely that the ongoing development and implementation of effective responsible gambling measures by both government and industry, will result in a long-term reduction in problem gambling. Therefore unless the consumption of gambling by recreational users increases, the registered club industry can expect gaming machine income to remain static or even fall.

Much has been said about the movement of gaming machines from country areas to city areas and from higher income regions to lower income regions. However, there is no benefit from a responsible gambling viewpoint, to restrictions on the movement of gaming machines from one place to another within a general locality. This is a common situation whereby some clubs in financial difficulty merge with more financially viable clubs. This process of rationalisation results in fewer clubs, but those fewer clubs will hopefully be financially viable. Club patrons are not going to be concerned about travelling a little further to a bigger and better club, particularly if that club offers free parking and a free patron bus.

A bigger, better club will have greater resources for a more effective responsible gambling program. A full-time staff-member can be employed to check patrons entering the club to enforce the entry

requirements and self-exclusion program. Staff can be properly trained to respond to requests from patrons for self-exclusion and provide other assistance with gambling problems.

The need for planning

Registered clubs and hotels are an important recreational opportunity for a significant portion of the population. It is desirable that urban planning on a State level take into account the need for locating new clubs and hotels and setting aside suitable locations for the establishment of clubs and hotels in new suburbs. Planning should also take into account the demographics of existing regions. This may mean that the number or size of clubs and hotels in some areas of declining population should be reduced.

Responsible gambling issues

One concern about the amalgamation and movement of registered club premises, is that it could exacerbate problem gambling. Clearly there are reasons why the movement of gaming machines into areas of high social disadvantage should be treated with caution. However, it is difficult to see any responsible gambling argument against the movement of machines within a particular local area. Yet Social Impact Assessments are still required when gaming machines are only to be moved within a particular small-scale area. This seems an unhelpful process, bearing in mind that most of the gambling public have cars, and those that don't usually have public transport. Restricting the consolidation or relocation of clubs within a short driving distance is going to have no effect on problem gambling.

It would seem more equitable to aim at a standard ratio of machines to population over the State, taking into account the special requirements of certain border regions and urban entertainment centres. This would suggest that permits to operate gaming machines should be made available in regions of population growth, and this should be achieved by transfers of machines from regions where the population is static or declining. If the establishment of new clubs and hotels in growing regions is included in state and regional plans, then those recreational venues should be located near public transport. Likewise, planning guidelines for the relocation of clubs and hotels within the same locality enable consolidation and movement to take place, subject to some well-established principles.

Dated: 26 July 2007



PAUL SYMOND

On behalf of the BetSafe Group