



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON PUBLIC ACCOUNTS

(Reference: [Inquiry into elements impacting on the future of the ACT Clubs sector](#))

Members:

MR B SMYTH (Chair)
MS M PORTER (Deputy Chair)
MS M FITZHARRIS
MS N LAWDER

TRANSCRIPT OF EVIDENCE

CANBERRA

WEDNESDAY, 19 AUGUST 2015

Secretary to the committee:
Mr A Snedden (Ph: 620 50199)

By authority of the Legislative Assembly for the Australian Capital Territory

Submissions, answers to questions on notice and other documents, including requests for clarification of the transcript of evidence, relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Legislative Assembly website.

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Amended 20 May 2013

The committee met at 9.31 pm.

BLEASE, MR MARCUS, General Manager, Marketing, Cerebral Palsy Alliance

XUEREB, MR MARK, Business Manager, Cerebral Palsy Alliance

THE CHAIR: Good morning all, and welcome to the public accounts committee inquiry into the elements impacting on the future of the ACT clubs sector. On 26 March 2015 the Assembly referred this inquiry to the committee for a report due on the last sitting day in September this year. Specifically, the Assembly referred the following nine elements and any related matters to the committee for further investigation and consultation: revenue and profitability; legislation and regulation; taxation and charges; land development and sales; problem gambling; diversification and mergers; new business models; poker machines and gaming technology; and water and resource management.

I welcome witnesses from the Cerebral Palsy Alliance. Could you please confirm for the record that you have read the privilege statement on the table in front of you and that you understand the obligations and protections of privilege? So acknowledged. I draw your attention to the fact that proceedings are being recorded by Hansard for transcription as well as being webstreamed and broadcast. Welcome to your Assembly. Would you like to make an opening statement?

Mr Blease: I am the General Manager of Marketing for the Cerebral Palsy Alliance. I have been with the organisation for six years now based at our head office in the Northern Beaches in Sydney. To give a very quick context, the Cerebral Palsy Alliance used to be known as the Spastic Centre—fortunately we changed the name back in 2011. We have been operating for 79 years across New South Wales and the ACT running from 55 sites across the two territories.

In total, on average each year we support about 4,000 clients as well as their families and extended families. Cerebral palsy presents with different levels of severity. In particular, the clients that we help often are at the more severe end and, therefore, they need quite a lot of different supports from our services. To facilitate the help we offer to those 4,000 families affected by cerebral palsy, we have 1,200 staff across New South Wales and Canberra.

If you group that up, which links back to what I am going to come to—the support that ClubsACT offer—our services are mostly in the area of therapy services, accommodation for adults with a disability, respite programs where families need a break, day programs for young adults and older people with disability, as well as research into preventing cerebral palsy occurring in the first place. We are the only charity in the world that researches into that space.

Here in Canberra we have been operating since 2001. We decided to open a centre in partnership with ClubsACT because they reached out at that point. They were looking for a community organisation to support as one group. We put our hands up because we did not have a presence here and there was a need. We commenced that service in 2001, and ClubsACT have been a major funder every single year in the ACT since that date. Our current partnership with them expires in June 2016, and we are very hopeful that that will continue for a further three years.

Over that period they have given us \$1.5 million, so a significant sum has gone to support our services in Canberra, which are a little different to those offered in New South Wales. For reasons you will clearly be familiar with in terms of funding, a lot of our funding comes from contracts we have with the New South Wales government, particularly with accommodation, day programs and therapy. We obviously did not have that here because that has been taken more into the ownership of the ACT government with services such as Therapy ACT.

We have not offered quite the same service provision, but during that time we have helped 500 children, and therefore 500 families have been supported through ClubsACT funding. That has given rise to services in the therapy area. Whilst Therapy ACT has clearly done the bulk of that work, we offered over that time 64,000 hours of therapy, again through the funding we have received. That is in three main areas: physiotherapy, speech pathology and occupational therapy.

Where we have tended to come in has been more in a complementary manner to Therapy ACT. Obviously we have a lot of expertise in cerebral palsy, particularly with severe cases. We have helped greatly where we have been called upon to offer assistance with expertise that may not exist within Therapy ACT. In addition, we have also trained Therapy ACT staff on a regular basis to be able to support those severe cases into the future.

That has made an enormous difference because that is 256 children that ClubsACT have facilitated that support for as well as offering specialist services that have meant families have not had to travel interstate. A small example is our Hart walker program. Everyone knows the importance of getting a child on to their feet and moving about with some mobility. Kids with severe cerebral palsy cannot do that, but it has major health benefits just being upright and about. There are specialised pieces of equipment—in this case, it is called a Hart walker—where children can be held upright through supports and straps and, therefore, on a walker and able to get around, giving them some independence and the ability to make social connections as well.

Another program is the orthotics clinic, where specialists that fly up to Sydney. These are services that are not offered in Canberra and that, therefore, have done a great service to the community here in providing that at a convenient place with experts. There are also equipment loan pools, which, at the end of the day, save ACT government money. You will be aware if you ever come across the disability portfolio that some of that equipment can be incredibly expensive. Therefore, trialling it first to make sure it is right—because various types suit different individuals, different family settings and environments that people find themselves in—is critical. Our loan pool has been incredibly beneficial to those families helping them to get it right as well as to taxpayers in the ACT.

Critically, it is not an exaggeration to say we would not have been here if it had not have been for ClubsACT. There is no question that we would not have set up a centre in Canberra back in 2001. Their money has directly helped 500 families in a huge way because cerebral palsy is a condition that families live with. It does not improve and go away; it is a condition that presents enormous challenges and stress and strains to those families. Having the right supports can make the world of difference to the

entire family, not just the child or adult living with a disability.

Even if you bring that into more recent times with the introduction of the NDIS, we have had a presence here. Because of the structure, one of the critical issues in the ACT of transferring that to other providers, which has not been the same in other pilot zones, is that there has not necessarily been the infrastructure here for other suppliers to be able to step in to take services off of Therapy ACT. We are here and we are ready. We have been here and obviously just moved into a much bigger centre as well. That has come about because of ClubsACT grant money. Otherwise, we would have been 10 steps behind where we would have had to look at setting up an entire operation here. We have been able to be on the front foot which, again, has assisted your ability to contract out services.

THE CHAIR: The blunt question is: if you did not get the money from the alliance that ClubsACT has put together, where would that money come from?

Mr Blease: We would not have the money.

THE CHAIR: What would happen then?

Mr Blease: We would not be running in Canberra. Now we would, in truth. If ClubsACT were to say, “Look, we’ve had a partnership for 15 years. We’re stepping away,” we obviously would continue because of the different funding arrangements. But if at any period during that last 15 years ClubsACT had stepped away, we would have stepped away from Canberra. If ClubsACT were still to step away, the money would not be replaced, so we would cut back on some of the service offerings that we would be able to offer the Canberra community.

MS PORTER: I want to ask a bit more about the effect of the NDIS and the fact that services are being devolved to the community sector. You have obviously been offering services to people who need them. Would you expect that the demand for services would, therefore, increase because of this?

Mr Xuereb: I am based in our new centre in Scullin and I also look after parts of southern New South Wales. If I can clarify, I think what you are asking is with the NDIS, will that increase the demand of request of services from Cerebral Palsy Alliance?

MS PORTER: Yes. With Therapy ACT maybe not being in that space. I am asking will there be additional demand on your services here in the ACT?

Mr Xuereb: Yes, there definitely is.

MS PORTER: Would you expect there would be families that you perhaps have not identified yet who would be identified through the process and approaching you?

Mr Xuereb: Yes. That is already occurring.

MS PORTER: Have you got any handle on the increase that you are experiencing at the moment?

Mr Xuereb: In terms of client numbers, when I came along, just as the NDIS was starting, we were providing supports in Canberra with active clients at around 20 individuals. We are now at 62, and that is just since October-November last year.

MS PORTER: That is threefold.

Mr Xuereb: Yes. The demand on services is increasing each day. We are obviously expanding our services to cope with that demand.

Mr Blease: We are currently recruiting five extra staff as well to accommodate that.

Mr Xuereb: We started with seven staff in the building when I arrived in November, and we are now at 17 and propose to be at 22 by the end of the year.

MS PORTER: How much of the sponsorship money would go to the research that you do? I realise that is around the whole of New South Wales and the ACT, but how much of the ACT dollar would go to the research in percentage terms?

Mr Blease: Right now none goes to research; it is all to service provision in Canberra.

MS PORTER: So you are rely on other sources of funds?

Mr Blease: We do. The ClubsACT funds are specifically tagged for service provision and, therefore, that is what it goes to. Obviously the NDIS is not going to fund everything. As we know, it is designed to enable people to have an ordinary life. I have visited lots of families at their homes, and that ordinary life is not what I would regard as an ordinary life. We are still extremely keen to maintain a culture of philanthropy around disability to enable other services to be provided that are still quite vital to people. They may not be regarded as fundamental, but they are things we would all take for granted. We are keen to encourage philanthropy in that space, which is why funding from organisations like ClubsACT will continue to be critical to deliver more of what we would probably regard as an ordinary life than a person with an ordinary life with a disability.

MS FITZHARRIS: I want to ask what perhaps is a difficult question: a lot of the submissions and a lot of our discussions have been around problem gambling. Some evidence yesterday effectively put to us that there are community contributions from the clubs but, in effect—I am paraphrasing here—it is tainted in a way because it comes as a result of problem gambling. That is an extreme interpretation; I do not know if my colleagues agree, but that was my reading of it. But we know there is another side to the story, and your submission and evidence fill that out. Do you have a view on that? Are you able to share that with us?

Mr Blease: In an ideal world we would not have to fundraise. If someone could say there is enough money in the pot to offer what we need for individuals with a disability, we would be very happy to stop fundraising. I would be very happy to walk out the door and work for another charity and raise money for them. That is not the case, and it is not going to be the case. Fundraising is clearly going to be important.

Obviously our base is in New South Wales and we receive money from a vast number of clubs in New South Wales. It is very much within our organisation's culture to develop relationships with that sector. In fact, it is the law in New South Wales that clubs have to give a percentage of their turnover to charity. Therefore, clearly, a decision has been made by policymakers that see the greater benefit by that kind of a legislative framework that some of that money goes to good causes to benefit the community. That thinking has been carried into the ACT that it is better that some of that money goes to supporting those 500 families within the community.

We very much rely on governments and organisations like ClubsACT to make sure they are doing their utmost for harm minimisation, which is why you are having these sessions. But we still believe, as does the law in New South Wales, that it is better that some of that money goes back to the community. We are very proud to take money from ClubsACT.

MS FITZHARRIS: Do any of the families that come through the ACT centre ever raise this as an issue? That is, in my judgement, part of the public debate around that. You could argue there is a skew to one side or the other, but do your families here ever raise this as an issue?

Mr Xuereb: No, it has never been raised. In fact, often my favourite banner to take out to an expo or any of the presentations to families is the one where ClubsACT are fully featured to show that ACT support for our organisation. It is amazing the people who comment and say, "Oh, great. ClubsACT are actually behind you guys." It is seen in a very positive light that it is a really great connection with the community. It is like as if we own ClubsACT, as in the community owns it and, therefore, "We are investing in you."

Mr Blease: Across New South Wales I have never heard of a complaint about fundraising from clubs. There have been complaints from some families about the concept of having to fundraise, which is more a discussion in terms of "I really should be entitled to these services rather than you having to fundraise for it." But I have not heard a complaint about the source of the funding in my six years.

MS LAWDER: You mentioned that the money from ClubsACT is sidelined for service delivery. I presume that includes the staff that deliver those services?

Mr Blease: That is mostly for staffing, to be honest.

MS LAWDER: In general terms, where else does your funding come from, other than the ClubsACT funding?

Mr Blease: Community. One other big organisation that funds us in Canberra is Westfield, along with ClubsACT. The rest is made up from community members, in particular, monthly donors who may give \$26 a month from their bank account or credit card every single month. There are over 3,000 of those from Canberra that donate monthly to us. Those kinds of mass community-based fundraising activities are where we generate revenue. Within Canberra it is all fundraised revenue, up until the introduction of the NDIS.

MS LAWDER: Fundraising itself comes with a cost as well, does it not?

Mr Blease: It does, sadly.

MS LAWDER: That is funded within that money that you collect?

Mr Blease: That is exactly right. The percentage varies from year to year, but last year it was 32 per cent—32c in the dollar to raise the dollar.

MS LAWDER: Your structure for the Cerebral Palsy Alliance in the ACT, do you have a locally based board as well?

Mr Blease: No, it is one organisation.

MS LAWDER: Nationally?

Mr Blease: In New South Wales and Canberra. We have a licence to fundraise across the entire country, because we fund people across most states in hospitals or universities that are doing research into cerebral palsy. Therefore, we have a fundraising licence across the country as well.

MS LAWDER: If the funding from ClubsACT came to an end for whatever reason, would the NDIS funding be enough to deliver everything you are currently doing?

Mr Blease: No.

MR RATTENBURY: Thank you for the great service you provide in the community. I have been out to the site and it is terrific. I have not been to the new one. Ms Porter asked before about the transition to NDIS, and demand came up in that context. I got the impression that you were saying that demand has gone up and that is as people are coming into NDIS they are purchasing more services through you rather than having them provided from formerly the government agencies. Is that what you meant?

Mr Blease: Yes. That is exactly right.

MR RATTENBURY: That is what is driving that increase in demand?

Mr Blease: Yes.

THE CHAIR: That was demand that had not been met prior to the NDIS?

Mr Xuereb: Some of that had and some of it had not. Waiting lists were quite considerable for the agencies that were originally involved in providing services. Now with the free market there is more opportunity for people to shop around for a service rather than waiting for a service. We have been able to provide a service much more quickly than what they would have experienced in the past.

MR RATTENBURY: So you have been able to increase your capacity to meet that demand through the money generated out of NDIS?

Mr Xuereb: Yes.

MR RATTENBURY: It is bit of an aside to this, but it is just interesting to hear that that is how it is playing out. The contribution from ClubsACT, is that part of the compulsory community contribution the clubs have to pay in the ACT or is that additional?

Mr Blease: I think it is additional, because it is not per club; it is an amalgamation they are giving from the group. I would have to go and check that, but I think it is additional.

MR RATTENBURY: In your submission you say that it amounted to about \$1.5 million since 2001; is that right?

Mr Blease: That is exactly right.

MR RATTENBURY: So that is about \$100,000 a year?

Mr Blease: Yes.

MR RATTENBURY: What is your total expenditure in the ACT each year?

Mr Blease: It is changing dramatically.

MR RATTENBURY: Perhaps if we can do pre-NDIS?

Mr Blease: In total, including fundraising expenses, it was just over \$1 million in Canberra.

THE CHAIR: The contribution from the 13 clubs that are part of the group would have been 10 per cent of your total turnover?

Mr Blease: Yes, that is right. To be honest, that has grown over time as well. Obviously in 2001 there was not that level of expense.

MS FITZHARRIS: Presumably \$100,000 a year bought you a bit more in 2001 than it bought you in 2015 as well?

Mr Blease: That is true as well. It did have a bigger impact in 2001.

THE CHAIR: Thank you. When a transcript is available the draft transcript will be sent for you to review. If there are any corrections you wish to make or any additional information you want to provide the committee, we would be very grateful to receive those. Thank you very much for your attendance today.

FRASER, MR ROBERT, Secretary/Treasurer, Billiards and Snooker Association ACT

HARGREAVES, MR JOHN, Patron, Billiards and Snooker Association ACT

O'NEILL, MR MARK, President, Billiards and Snooker Association ACT

THE CHAIR: Gentlemen, thank you for your attendance today to assist us in the public accounts committee inquiry into elements impacting on the future of the ACT clubs sector. In particular, the committee acknowledges perhaps the first official return to the Assembly of Mr Hargreaves MLA. Welcome back, John. Please be aware proceedings are being recorded by Hansard as well as webstreamed and broadcast. On the table in front of you is the privilege statement. Could you confirm for the record that you have read the statement and understand the protections and obligations of privilege?

Mr Hargreaves: We have all seen that privilege statement, thank you, Mr Chairman.

THE CHAIR: Yes, but have you read it, Mr Hargreaves?

Mr Hargreaves: In fact, I have read it so many times that I can almost quote it myself.

THE CHAIR: Would the Billiards and Snooker Association like to make an opening statement?

Mr Hargreaves: Thank you very much, Mr Chairman. It has been a long time since I sat in this chair, and I have not missed it at all. I appear in my role as the Patron of the Billiards and Snooker Association of the ACT. The association thanks the committee for the opportunity of presenting information to the committee on the ramifications of changes to the clubs sector in the ACT as it affects the smaller, lesser known sports which are dependent on a viable and sustainable clubs sector in the ACT. I appear before the committee in my capacity as patron of the association, and I am accompanied by Mr Mark O'Neill, president of the association, and by Bob Fraser, secretary of the association.

Our submission discusses the changes to the billiards and snooker sport's fortunes since 1948. A casual glance at the history will show not only a clear dependence on the club industry but also a decline in the opportunities for participation in the sport due to changes in the regulatory regime encountered by the club industry.

In the period from 1948 to now there were 44 billiard and snooker tables across 15 venues in the ACT. Currently there are only 10 tables across four ACT venues. The decline in the number of tables is directly linked to the fortunes of the clubs with many tables disappearing as clubs close or change their strategic direction. While some would say that the sport is small in participatory numbers, there are about 150 active participants, and it is a vibrant competition facing further decline as the fortunes of the clubs decline. Indeed, our association has had Australian world champions in its ranks and has a current Australian professional ranked in the top five in world rankings.

The amalgamation of small and medium clubs into larger groups because of the impact of changing legislation and restrictions has had a negative impact on the sport.

Our submission addresses specific terms of reference before your inquiry, and we are happy to address those items at your pleasure.

In summary, we recommend the following: parity with the regimes applicable in New South Wales be legislated to ensure there is no benefit for patrons to go to New South Wales to spend their discretionary income outside the ACT; that the community contribution threshold on gross gaming revenue be raised to 10 per cent; that the note acceptors in poker machines be set to receive \$50 notes; and that introduction of a global exclusion system be considered by the government and both the clubs and hotels industries in relation to gambling and alcohol abuse where the exclusion from one venue triggers exclusion from all venues, whether they be clubs or hotels. Again, the association thanks the committee for the opportunity to appear today and to elaborate on our submission. We are at your service.

THE CHAIR: Let us go to the recommendations on the last page of your submission. How would you see a global exclusion scheme working?

Mr Hargreaves: A number of global exclusion schemes operate around the world. The one I had in mind was applicable in York in England where a person is identified to be excluded either by management or by self-exclusion and a photograph is taken of that particular patron. That patron is informed the photograph and their name have been taken and would be provided to all venues in York. If that patron were to enter one of those premises, they would be identified and asked to leave. That is just one system and how it could work.

The recommendation we are making, though, is that government and the clubs and hotel industries put together a scheme they can all access. It is not beyond the wit of man to identify people who should be excluded either because they have problems with gambling and alcohol or because they are disruptive and their behaviour is bad or violent. All clubs and hotels have exclusion systems. We are saying it should not be beyond the wit of man to put those together and exclude somebody from every venue in town.

THE CHAIR: You have extended it from not just gambling but also to alcohol. What is the logic behind that?

Mr Hargreaves: We are saying that exclusion should be exclusion. It is about behaviour which is either detrimental to a patron or detrimental to people around that patron who also frequent that club. We are saying that if a person is a problem gambler they will self-exclude or we will exclude them. We are also saying people who misbehave are affecting the patrons behind them and we will exclude them. They will do club and hotel hopping, and that has to be stopped. Mr O'Neill or Mr Fraser might explain to you about how the exclusion works in the association and across the world.

Mr O'Neill: As an affiliated body with the Australian Billiards and Snooker Council and the International Billiards and Snooker Federation, if we have a problem with a player who transgresses our rules or the rules of a venue, where our association operates as a guest inside the licensed clubs of the ACT, we can take various actions against people. The main thing is that we can suspend them from competition. The

moment we suspend a player from competition, that is, in effect, a world-wide suspension until such time as they come back before our tribunal or the set period of their exclusion from our sport is finished. They can walk into a club and play but they cannot play in any organised competition anywhere in the country or the world.

THE CHAIR: In your submission, under the section headed “General impacts of changes to the clubs sector”, you note various impacts, not just on billiards and snooker but also on darts, carpet bowls and table tennis. The last paragraph on that page states:

There is a place for small and medium clubs and too harsh a regulatory regime will kill these clubs and the resultant dysfunction in smaller communities will be rested at the feet of the legislators.

Thank you for that. What sort of changes would assist the smaller and medium clubs to survive?

Mr Hargreaves: Essentially, we are seeing the viability of smaller clubs, particularly, and medium clubs, being affected negatively by the continuation of restrictive regulatory regimes. If those restrictions continue, these clubs will become unviable. In fact if you look at the list we have given you in our submission, you will see quite a number of clubs have gone to the wall because of lack of patronage or because they were uneconomical. If they do not have a certain revenue-raising opportunity, in competition with other places that do, they will go to the wall.

We are seeing, in fact, the absorption of small and medium clubs into the larger club groups, and that, we believe, is unhealthy. It takes away physical premises and the opportunity for people to access those services and facilities around the town. If we continue to do these restrictive practices—for example, we are not convinced that there is any reason why \$50 note acceptors cannot be in practice in the clubs. We do not see the restriction on the amount of money you can get out of an ATM having a positive effect at all. In fact it is having a negative effect because those clubs need then to raise money. The smaller sports that we mentioned are the ones that suffer.

MS PORTER: Going back to the exclusion issue, have you talked to ClubsACT or any of the clubs that you have an association with in relation to this issue and asked their opinion about this idea?

Mr Hargreaves: In a former profession, Ms Porter, in this place I had occasion to speak on this particular possibility with the then executive of the AHA at one of their gala dinners. I also had the same opportunity to talk to ClubsACT at their gala dinner. Both of the executives that I spoke to—predominantly the presidents—said, “This is an interesting idea. It merits being looked into.” But, quite frankly, they have not done it. We are saying in our submission that they should be encouraged to do that. Government can take a leadership role in doing this and invite them to come to the table and do it. This is not, or should not be, news to those organisations.

MS PORTER: Did they raise with you at all at the time any issues around privacy, about passing on information about individuals?

Mr Hargreaves: Yes, they did. They said, “This is one of the major concerns, in fact, that have stopped people actually being creative about such a scheme.” The privacy issues around individuals really apply to people who have not transgressed. If, for example, a person is being excluded from a club on behaviour grounds, the front desk of that club is aware of that particular person, and when that person tries to gain access to the club, they are refused. So they have access to those sorts of information.

The information which would be shared between the venues is not about privacy information, other than a likeness, a name and possibly another identifying feature such as a drivers licence or something to that effect. But that detail could be worked out such that people’s privacy is not offended.

MS FITZHARRIS: I want to ask about a couple of different things that have come before us. One is that you refer to a harsh regulatory regime; others call it a blunt stick that affects everyone but that it should be targeted better to, in this case, problem gambling. Do you have a view on that?

Mr Hargreaves: Before I flick to Mr O’Neill, I would like to indicate to you that that blessed journal, the *Canberra Times*, indicated this morning that there are 1,100 problem gamblers in the ACT. The introduction of new catering arrangements at the Burns Club saw an increase of 3,000 members in the first month. Whilst this was happening, the poker machine occupation had not changed.

MS FITZHARRIS: It is the buffet, I hear.

Mr Hargreaves: It is. The issue, of course, is that when you take a family of six into the club, it costs about, in round figures, \$26 to \$28 per adult and then there is a sliding scale downwards. People need access to an ATM which will dispense more than \$250 if they are going to feed a family of more than six, and they cannot, because there is a limit of \$250 that they can get out of the ATM.

Mr O’Neill: One of the things that is very amusing to me is the fact that I am not considered to be trustworthy enough to put a \$50 note into a poker machine. You are saying to me that a 63-year-old man does not know if he can afford to put a \$50 note or a \$20 note into a machine. But if I am sitting at my club, which happens to be the Burns Club, and I walk 22 paces from a poker machine to a TAB, I can put up \$10,000 or any amount to bet on a race. I do not even have to leave the poker machine to do it; I can do it on this phone.

Therefore, I find it very strange that I can bet unlimited amounts on this—gamble. I do not have to leave this chair here, and I can do it. At the same time people are saying to me, “You can’t put a \$50 note in there.” Now we have ticket in, ticket out coming into Canberra and we are going to have somebody win money on a poker machine. I cannot put a \$50 note into that machine, yet someone can win \$500 from one machine, pull it out and put the ticket into another machine and play it.

It is very hard for a person of my intelligence to understand that. When you look at it in those simplistic terms, people who are problem gamblers are going to gamble. They do not need the poker machines. I believe the clubs and the poker machines are a soft target. In this day and age what may have been appropriate 10, 15 years ago or more

is no longer appropriate. The problem gambling starts by watching the TV, when you get Robbie Waterhouse walking across your screen and telling you all the things that you can bet on with him; you can just ring him up.

Every day of the week I open up my computer and I get invitations to join casinos all around the world. They will match me dollar for dollar or pound for pound. If I put £500 into an account to gamble with them, they will match it with another £500—all designed to help me go and play in their venues. Machines are not the problem, I do not think; it is the whole society.

THE CHAIR: There is some information from the ANU that you might like to comment on. Of those that were identified as moderate risk or problem gamblers, 76 per cent reported playing gaming machines, but not necessarily exclusively. We accept that you can gamble on other machines, but there seems to be some evidence there at least that poker machines cause some damage.

Mr Hargreaves: There is a perspective; we are talking about 1,100 people who have identified as problem gamblers. I would like to know how they can identify them. The clubs and hotels have regimes where they can identify people who are problem gamblers. However, there are people who will do their gambling from home on their computer, on their telephone or by going down to the TAB. They are not identified as problem gamblers; therefore they are not in those statistics. I might suggest to you that whilst 76 per cent of these people identifying are only using poker machines, it is only the people who are using poker machines that are able to be picked up by the clubs and the hotels, who have regimes in place to identify them and address their problem gambling.

MR RATTENBURY: That is actually not the way the prevalence study was conducted, Mr Hargreaves.

Mr Hargreaves: With the greatest respect, Mr Rattenbury, I have been around the club industry as a patron since the introduction of poker machines, and I have seen people put the stuff in there. I have seen more people sitting in chairs in the Kippax and Erindale TAB in absolute distress than I have ever seen in a club. You can have as many academics do as much research as you like, but I am telling you from personal experience exactly how it works.

MS LAWDER: In your submission you have listed those clubs that are your members and affiliates. It would appear that in the ACT the ones that have remaining tables are some of the larger clubs. You have listed the Canberra Southern Cross Club, the Raiders club and the Burns Club. When a club is facing financial stress, are you saying that those types of facilities are the first things to go?

Mr Hargreaves: Yes, they are, Ms Lawder. Thank you for that question. Please understand that the Southern Cross Club had the tables in there when it was just the Southern Cross Club at Woden, not when it was part of a larger group. If you look at the other clubs in the Southern Cross Club group, you will find pool tables occasionally but very rarely. The Burns Club is a medium-level club; it is not a large one. It is not part of a group. With the Raiders club, the tables are in fact at what was the old Royals. The Royals rugby club was taken over by the Raiders group. The

tables in fact were retained because the physical layout of the club was such that it could maintain those tables. Again that club was taken over by a larger group and it lost its uniqueness as a Royals rugby club. Mr O'Neill or Mr Fraser might have something else to say about that.

Mr Fraser: The Raiders, or Royals as it used to be, is a unique environment for us because the members do not own the tables but they maintain the tables. The Raiders club permit them to leave the tables in the club as long as they do not have any cost at all to them, which is unique. It is a strange situation because they more or less almost threaten the “club within the club” that if they do not be quiet and toe the line, they could lose their tables. It is a threat hanging over them all the time.

Just recently, they moved the tables from upstairs in the billiard room that they had. They decided they needed that room for something else and the tables were in threat of going then. All of a sudden they decided they would make room where the old reception was in the front and they brought the tables down there. That cost was borne by the members of the club; it was not done by the club. So with the Raiders it is a very tenuous situation. They could say tomorrow, “We’ve finished supporting you,” and that would be the end of that as well.

MS LAWDER: Do you think that is because they are looking for a more economically viable use for that space?

Mr Fraser: Yes. I think that is exactly the case. Unfortunately, with our sport, billiard tables do not directly bring in income to the clubs, although there are side benefits. Most clubs would agree that they need members in their clubs, and this is one of the facilities that brings people to the clubs. Indirectly, they are getting revenue from us.

Mr Hargreaves: With the regime that has been introduced around the note acceptors, the ATM limits and the anti-smoking—which, incidentally, we all support—what has happened is that the revenue flow into the club to provide the cross-subsidy of facilities has reduced significantly over time. There has been an imperative on the clubs to find alternative revenue sources, which we all support. Nobody would disagree with that.

The problem, though, in some cases—it is something that we need to recognise—is that for every square metre in the club that is not having a revenue-making potential, the activities sitting in that particular space are at risk for something which will. For example, in the Burns Club’s redevelopment, it had an auditorium in it—a 300-seat auditorium with a stage, dance floor, the lot. It was not raising enough revenue. It has gone, and now there is a large restaurant buffet service in there, which has increased the club membership. They had an increase in one month of almost a year’s annual membership recruitment.

That is what the clubs are faced with. If you have a space which is occupied by four billiard tables and you can turn it into a revenue-making source, it is at risk. That is because their revenue is drying up because of these restrictions.

MS LAWDER: Do you know whether the clubs count providing those tables as part of their community obligation?

Mr O'Neill: They do. They like to say, "This is a part of our community contribution," and things like that, yet it is one of the first things they tend to get rid of when the clubs are struggling. We have seen across their activities in the licensed clubs of the ACT through our association the demise of many of the venues, not only for us but for those other sports we mentioned earlier.

It is very easy for a club to say, "This costs us money. We can't measure the dollar per square foot return in a billiard room." We are saying that when government wants to try and change the focus of how the clubs are earning their income, we are all trying to change from our reliance upon gaming and the poker machines. All the clubs are trying to do things like that and find alternative means of income. Some clubs do not have that opportunity and have to get to a position where they can then afford to do other things. The Burns Club is a club that is doing that at the moment. I must also declare to this meeting that I am a director of the Burns Club. I am not here to represent the Burns Club; I am here to represent Billiards and Snooker.

The venues are lost to us and to other people because management is trying to save money; they are trying to generate income. Unfortunately, I think it is working against them. I go to the Burns Club for various reasons. One of those reasons is to play billiards and snooker and meet up with my friends there. If we do not want people just to go into the clubs to consume huge amounts of alcohol and to gamble a lot, and if you are not going there just to eat, you need something else. Mostly, we go there to meet up with our friends, our peer groups and things like that. You need something to attract people in to your venue. With respect to these venues that have been lost to us, for most of them, if the facilities have gone, eventually it leads to their demise.

Mr Hargreaves: Ms Lawder, to address your question quite clearly, if the gross gaming revenue reduces, so, too, does the amount of money which is available for community contribution. By definition, if the revenue is down, there is less money to go to the charitable organisations. We have seen that effect in the Southern Cross Club's grant program, which is one of the best grant programs in the ACT. But we are seeing its effect there.

We are also seeing the fact that the space can be applied, if you like, as an in-kind donation against the grant process. But when the revenue reduces, you reduce it by a certain percentage. That is why we are recommending it go to 10 per cent, because there is less money available to go to those other places, to the extent where, in one of the major clubs, a community activity has been occupying space for a couple of decades; they are now facing the possibility of being charged for that space. We are seeing that kind of effect happening.

MS LAWDER: With the dozen or so clubs that have closed down and you have lost those tables, do people who are members perhaps of your association who played there then go to one of the three remaining clubs with tables, or is your membership declining as a result?

Mr O'Neill: Our membership has declined. We have about 150 players. We run basically four interclub competitions a year. The early part of the year is what we call a summer competition. We have snooker on a Tuesday night; we have billiards on a

Thursday night. In the winter months it reverses. The Thursday night competition is the main competition at that particular time; therefore it is bigger.

We have players out there who cannot come to a venue because we do not have enough tables in order to service the people that we have out there. We have some teams with eight or 10 players and everyone is struggling because we have four matches a night for each team. That means there are people who are not playing in a competition who want to play in a competition and who cannot because there is no venue for them. To give you an example of there being no venue, there are only two billiard tables north of Lake Burley Griffin, and they are in the Braddon bowling club, owned by the Ainslie Group, and that is going to close.

MR RATTENBURY: That is unusual. Normally everything is on the north side of the lake and there is nothing on the south side, so at least there is one bias to the south side!

Mr Hargreaves: We want to keep it that way, Mr Rattenbury. That is why we are appearing before your committee.

MR RATTENBURY: You have made a number of observations that I want to ask about. You made a recommendation to increase the community contribution to 10 per cent. I think you just answered that a minute ago, Mr Hargreaves. You said that because the contribution has gone down as a gross amount, the percentage needs to go up.

Mr Hargreaves: That is correct.

MR RATTENBURY: Am I correct in understanding that?

Mr Hargreaves: Yes, absolutely. There is no doubt about you—you are quick, sir.

MR RATTENBURY: Let's not go there. Your submission states that revenue dropped 20 per cent due to the change in note acceptors. Are you talking about the change from \$20 to \$50 and back to \$20, or are you just talking about the original introduction of note acceptors?

Mr O'Neill: That was when the note acceptors changed from when you could put a \$100 and a \$50 note in. When it changed to \$20 notes only, the revenue went down by about 20 to 23 per cent, I think, at that time. That was pretty much across the board for clubs in the ACT.

Mr Hargreaves: Interestingly, you can take your \$50 and put it into a note breaking machine in the same area, take out two 20s and a 10 and feed them into a machine.

MR RATTENBURY: That is why I was surprised by Mr O'Neill's evidence that it was such a limitation on his freedoms.

Mr Hargreaves: Mr Rattenbury, the people who have an issue will do it anyway. They will go to the note breaker and do it. But the casual person, the person who uses the poker machines as part of their night out, will not go and whack a \$50 note in

there. They can't be bothered going to the note breaker, so they do not bother.

MR RATTENBURY: A terrible hardship for them, isn't it, Mr Hargreaves?

Mr Hargreaves: I am not going to be such a wet sop as to deny people an opportunity to have a bit of fun on a night out. If they have the ability of their discretionary income, I am not going to say what they can do with it. But I will say that I am not going to suggest that somebody have a restriction on the use of their disposable income on a system that is quite clearly not working.

MR RATTENBURY: It is interesting, because the evidence from the ANU prevalence study and the academics that research this stuff indicate that those sorts of measures do assist for those people who do not have the ability to limit themselves, as perhaps Mr O'Neill might. I am interested that your association seems to be comfortable that, so long as the revenue is coming in, it does not matter where it comes from.

Mr Hargreaves: No, they are not comfortable with that at all, and I think that is a misrepresentation of the association's position. We are saying, in fact, that our association is not going to dictate to the clubs how they raise their revenue—so long as that club is viable and our association can receive the support in physical space and financial support for such things as trophies or advertising, or whatever we can get out of them.

The point that Mr O'Neill made about there only being two tables north of the lake—and they are in jeopardy—is the very point in case. Those clubs north side are not considering themselves to be in a position where they can support these sports. Carpet bowls has disappeared. Darts only just has its head above water. Table tennis has totally disappeared. There is only one place you can actually play competition table tennis in this town and it is in a shed.

In the past the clubs had sufficient revenue going through their premises. We recognise that the clubs have built a dependence on poker machine revenue. We also know that with the restrictions that have been put in their way in recent times they are now looking at alternative revenue sources, and we encourage them to do that. We do not want to see them go to the wall before that is achieved. We want to make sure that the existing tables and the existing availability of the competitions in our association's purview are maintained.

MR RATTENBURY: Can I clarify one thing: you talked about the fact that the Burns Club has had 3,000 new members as a result of a new catering model?

Mr Hargreaves: Yes.

MR RATTENBURY: That seems to be a very positive thing and points to a possible new direction for clubs in the ACT, yet you also seemed to imply it was a negative. Can I clarify your thoughts?

Mr Hargreaves: No, I did not say it was a negative one. I did not imply that at all, Mr Rattenbury.

MR RATTENBURY: You made the observation that it had led to the loss of the auditorium, so I am interested in—

Mr Hargreaves: Yes, indeed it did. It led to the loss of the auditorium because it was under-utilised as a revenue-making exercise. There were people who used that facility who no longer have the opportunity to do that, and that is part of the trade-off that you get. But we are not seeing facilities being provided for activities. This was a facility available for people to hire.

The billiards competition is not something that people can hire; this is an activity which brings people together for social intercourse. We are saying that the current regulatory regimes have a negative impact on our membership. We would like to see it stopped, and our recommendations are, as you can see, to restore part of it.

This is not an either/or thing. It would delight our association if the clubs could have alternative revenue sources such that they did not have any poker machine revenue at all. We would be delighted, but that is not the reality. The reality is that it is not going to happen that way.

MS FITZHARRIS: You have highlighted some of the tensions which have come before us. We had a club in here yesterday that opens for five or six hours a day, three days a week. And I know that there are others like that. So you need space. There is all of this space that is not used in other clubs four or five times a week. We have a lot of support for clubs to diversify their income stream, but we also had evidence yesterday that they should not have concessional leases. They should not get into the business of child care, affordable housing or aged care because other people also provide that service. Where do they go? Do you pay anything for the use of the tables in the clubs when you go in and play?

Mr O'Neill: No, we do not.

MS FITZHARRIS: Do you think you should? You pay for every other sport. For my kids, we pay through the nose for some sports, and not much at all for others. If you paid some fee to the venue—

Mr Hargreaves: The members pay money into the association for their engagement in the sport. The association does not pay for the facility in the club in which to engage in their sport. That is the bit we want to preserve.

Mr O'Neill: We have an annual presentation night, and we spread that around the clubs. We spend maybe \$3½ thousand or \$4,000 on food and a similar amount on trophies. We then go into the licensed clubs and say, “Thank you for allowing us to be guests within your club.” That is how we repay that.

MS FITZHARRIS: It would not be an option for you, for example, to pay two bucks a visit for each time you use the club?

Mr Hargreaves: They do that because they are members of the club group, anyway.

MS FITZHARRIS: Yes, but that is \$2 a year.

Mr Hargreaves: If there is a competition, you pay a competition fee, as with most other sports. Of course, you have all the other costs that any other sport will bear. Can I agree with the point that you are making about concessional leases. You cannot have it both ways. The government of the day cannot have it both ways. They cannot screw them to the wall on poker machine revenue and then deny them an opportunity for alternative revenue sources.

The way in which the Burns Club did it was rather entrepreneurial. We are hoping it is sustainable, but we are not sure yet. The other clubs have opportunities—the Tradies have hotels. Those sorts of things are alternative revenue sources. But unless we have an overarching regime of encouraging these community clubs—they are not businesses, they are community clubs—to be sustainable then all is lost.

THE CHAIR: Gentlemen, thanks for attending. When the *Hansard* is available, we will forward you a copy for correction or suggestions for improvement, if such a thing is required. If you have other suggestions that you would like to forward to the committee, we would be happy to hear those. Thank you to the Billiards and Snooker Association.

HENDERSON, MR ANDREW, President, Tuggeranong Valley Junior Rugby Union Club

THE CHAIR: I welcome the Tuggeranong Valley Junior Rugby Union Club to our inquiry into elements impacting on the future of the ACT clubs sector. In front of you is a privilege statement. Could you please confirm for the committee that you have read the statement and understand the obligations and protections that privilege offer?

Mr Henderson: Yes, I have read that.

THE CHAIR: Thank you. Please be aware that this morning's hearing is being recorded for Hansard as well as being broadcast and webstreamed. Mr Henderson, would you like to make an opening statement?

Mr Henderson: Yes. I am the President of the Tuggeranong Vikings Junior Rugby Union Club, also known as Tuggeranong Valley Junior Rugby Union Club. This is my first year in the role. I have had an active involvement in the committee for the last eight years. The junior club itself dates back to 1980, so it has been around for some time.

The club derives from the senior Rugby club, which is an open premier Rugby competition. As such, we have junior membership now. We are the largest club in the ACT, with over 300 registered players at this point, ranging from four years old to 18 years old. Currently, we have a financial agreement with the senior club, which is supported financially by the Vikings Group for \$15,000 a year. Supplementary to that we have many fundraising opportunities within the club to raise moneys for our under 14s group, who annually tour to New Zealand primarily, as a cultural opportunity for the boys. Other benefits we receive through the club include use of their facilities for events or committee meetings.

THE CHAIR: Let us go to some of the things you listed. You listed the cash component of their support. How important are the facilities and the other opportunities that the Vikings Group offer you in keeping the junior club active?

Mr Henderson: Certainly, for the events that we carry out—presentation night, and trivia and other fundraising event nights—the cost has been waived. It is more than \$1,000 generally for the evenings that we host. There is certainly a difference there in our pocket for these events.

THE CHAIR: In your submission you say that because of the support of the club you are able to provide reduced registration costs. Have you determined how much they would have to go up by if you did not receive the money and the in-kind support?

Mr Henderson: Certainly, we would have to increase them. At this point we charge around \$150 on average. It would certainly have to increase beyond \$200 to be able to support our ongoing costs.

MS PORTER: To clarify the amount of money you just talked about, is that per young person?

Mr Henderson: The registration fee?

MS PORTER: Yes.

Mr Henderson: Yes.

MS PORTER: So if someone had three children, for instance, who were all involved, that would be multiplied by three?

Mr Henderson: Yes, that is correct. Previously we had discounts for larger families. Unfortunately, due to the ARU's current financial position, they are now charging us \$120 per player for a levy to be involved in the sport.

MS PORTER: Who is charging you that?

Mr Henderson: Australian Rugby Union. They have imposed it on all Rugby.

THE CHAIR: So \$120 of the \$150 for registration goes to the ARU?

Mr Henderson: Yes, that is correct.

MS PORTER: No-one has been able to convince them to lower that?

Mr Henderson: It is something that has been introduced this year. In previous years there has only been a minimal insurance levy.

MS PORTER: So it is to do with insurance?

Mr Henderson: A portion of it is; \$8 per player is for insurance for juniors. I understand the seniors pay a lot more. The levy itself was increased last year. It was \$200 per team; now it has gone to a per player levy. They have obviously seen an advantage in doing that. That is something that has not been discussed at the club level.

MS PORTER: Since this has been introduced, have you seen a drop in the number of families that have been participating?

Mr Henderson: Within our own club we have not, but across the local member union, we have seen a difference in the amount of teams and also players within those clubs. We offer a reduced rate compared to other clubs and associations.

MS PORTER: You are able to offer that reduced rate because of the support that you get from the Vikings?

Mr Henderson: Yes, that is correct.

MS PORTER: Where would you go to get that support if you did not get it from the Vikings?

Mr Henderson: We would have to look into fundraising options and further task our

volunteers to find those moneys elsewhere and increase our registration fees.

MS PORTER: Again.

Mr Henderson: Yes.

MS FITZHARRIS: Do you have committee meetings for the Tuggeranong Valley juniors, and are they held at the club?

Mr Henderson: Yes, they are; monthly meetings.

MS FITZHARRIS: Do you get charged for those?

Mr Henderson: No.

MS FITZHARRIS: Do you know what it would cost to have a meeting each month if you were a different group? Do you know what the room hire cost would be?

Mr Henderson: I do not know the room hire cost, but I would assume it would be more than \$100. Meetings go for three to four hours sometimes.

MS FITZHARRIS: Every month? You have plenty to do.

Mr Henderson: Plenty to discuss; not every month.

MS LAWDER: When you have your monthly meetings at the club, is it possible that, on occasion, some or all of your committee members will buy a drink at the club and possibly even a meal, so you are returning some of that money in some way back to the club on occasion?

Mr Henderson: Yes, on occasions, definitely.

MS LAWDER: What about after the games? Do you have a presentation at the club?

Mr Henderson: No. Our games are played at a local district field, so it is away from the licensed venue.

MS LAWDER: Does some of your registration fee go towards the hire of the venue?

Mr Henderson: Yes, that is correct.

MS LAWDER: The sportsground?

Mr Henderson: Yes, we hire the sportsgrounds through the ACT government.

MS LAWDER: Are you able to give a brief rundown of some of the other types of costs that you have to cover in general terms?

Mr Henderson: There are gear costs; I guess that is a portion. It is approximately \$10,000 a year for attire, clothing and training gear. The ground hire itself is

approximately \$15,000 to \$20,000 depending on the amount of teams we have.

MS LAWDER: That includes training as well as the games?

Mr Henderson: Yes, that is correct. The games are covered by the local Rugby Union council. They hire the fields but we pay for the training nights. We train Monday to Thursday from 4.30 to 7 pm.

MS LAWDER: With the \$150 per player, for example, does that include the uniform, the kit, or is that separate?

Mr Henderson: Yes, that is right. We provide shorts and socks. The jerseys are on loan from the club and are returned at the end of the season.

MS LAWDER: On game day, do you have a volunteer roster that provide the oranges? Does that still happen?

Mr Henderson: There are plenty of volunteer opportunities within the club.

MS LAWDER: So that still happens. It has been a while since my kids played. Do you rely heavily on volunteers?

Mr Henderson: Yes, entirely. From six in the morning we have people helping set up, there are canteen duties, ground marshalling and all facets of involvement.

MS LAWDER: Which is your home ground?

Mr Henderson: Gowrie district playing fields.

MR RATTENBURY: How many participants do you have at your club?

Mr Henderson: Three hundred registered players, and within that 20 teams across the age groups.

MR RATTENBURY: Are those numbers fairly stable? I am interested in the discussion about the ARU levy.

Mr Henderson: At this point it has been around 300 for the last few years. We have seen a reduction in the lower age groups. We are working on ways to improve there.

MR RATTENBURY: What do you think is driving that?

Mr Henderson: I could not be certain. There are a number of other sporting groups within the area. I guess they are more popular or marketed better. I am not sure.

MR RATTENBURY: The World Cup might make a difference this year?

Mr Henderson: We are certainly hoping so.

THE CHAIR: What does it cost to run the juniors per year, if that is a figure you are

free to give us?

Mr Henderson: I do not have the figures in front of me. It is approximately \$50,000 in ongoing costs. Other costs included are trophies and other gifts that we provide.

THE CHAIR: So the \$15,000 therefore is about 30 per cent of your total costs?

Mr Henderson: That is right.

THE CHAIR: The other way you raise funds is by way of the canteen at Gowrie oval on Saturday morning?

Mr Henderson: Yes, that is right.

THE CHAIR: How else do you raise money?

Mr Henderson: We have had other events—the trivia night recently. We have been lucky enough to avoid having chocolate drives or other fundraising opportunities. Generally, with the registration, we take a small slice. There are very minimal fundraising options that we have had to explore.

THE CHAIR: One of the issues that always comes up when we talk about clubs is people who have problems with gaming. Has that come up either from parents or at committee meetings where people are concerned that the club gets some of its funding through the profits from the gaming machines?

Mr Henderson: Certainly, as a club, with the Vikings brand, we get exposed to some of that. From a personal perspective, I see issues with families. A lot of it is derived from financial issues, and potentially gambling. I do not go into the particulars with them, but it could have an effect, certainly.

THE CHAIR: At this stage there is really no other alternative except going back to the chocolate drive and lamingtons, and trying to raise that \$15,000 in that way?

Mr Henderson: Yes, and forcing more duties upon our volunteers.

THE CHAIR: Mr Henderson, thanks for your attendance today. When the transcript is available a copy will be forwarded to you. If there are any corrections or suggestions you would like to make, the committee would be delighted to receive those. Thank you for your participation today. We hope the ill effects of the Royals' win the other day does not filter down to the junior club.

Sitting suspended from 10.48 to 10.59 am.

GILL, MR ROB, Vice-President, Belconnen Tennis Club

THE CHAIR: We will recommence the public accounts hearing of the inquiry into elements impacting on the future of the ACT clubs sector. I welcome Mr Rob Gill, the vice-president of the Belconnen Tennis Club. Mr Gill, in front of you is a privilege statement. Could you please confirm for the record that you have read the statement and understand the protections and obligations of parliamentary privilege?

Mr Gill: Yes, I understand.

THE CHAIR: Thanks very much. Would you like to make an opening statement?

Mr Gill: Yes, thanks. I have been a member of the Belconnen Tennis Club for the best part of 18 years. In that time, and certainly long before I came to Canberra, the Belconnen Tennis Club—it was Belwest at one stage but we changed our name within the last year—has enjoyed an extremely good relationship with both Wests Rugby Union club and latterly with the Canberra Southern Cross Club. They have always been, certainly in the time I have been here, very important supporters of the tennis club. It is quite a good fit.

Belconnen Tennis Club is very much a community organisation. That is mirrored in the way we have always found the licensed clubs have behaved in our relationship with them. From our point of view, our community relationship is reflected in the number of family memberships we have. At some stage I would like to table a breakdown of our membership for you.

We have very strong local representation from the inner Belconnen suburbs—Aranda, Bruce, Hawker, Weetangera and places like that. As part of our community involvement, we do not just play lots of social tennis and/or pennant tennis. We have recently started supporting a tennis group that has come to us through the Belconnen community centre. Some of our members have been working with disabled people and newcomers to tennis. Our resident coach, David Beniamini, has been coaching people with disabilities as a community service as well. So there is a very strong community link.

I have to say that we would be horrified at the thought of the immigration department and any others leaving the Belconnen area because many of their public servants are also members of our club. We regularly welcome daytime players from various public service offices around the area—stats and immigration as well.

We were very much involved in a seniors championship at the start of the year. Gary Cameron mentioned this in his letter to the committee. People from around Australia had a great time at our club, because we catered for them, we provided drinks and we were generally quite social about things. We had an arrangement whereby people, after their tennis, could go to Canberra Southern Cross Club and have a meal and a drink post tennis. It was an extremely good time for us and for the Southern Cross Club.

That community spirit is reflected in the Southern Cross Club's operation. It is well laid out, with separate function rooms and kid-friendly areas. If you go in there you

will always see a very big cross-section of the local community. Most of you will know how quickly you pick up on people who are from local areas. It is that kind of town. You see a big cross-section of the local community throughout the building pretty well at all times—families having a meal and groups of friends watching sport over a drink. There are Thursday night raffles. In a tit-for-tat arrangement our club members occasionally go up there and sell tickets for them in those raffles. If we manage to sell a certain amount, we get the leftover money, which is a very good thing. The gaming area there is well removed from general community facilities. I do not think all clubs are that lucky.

The relationship we have with them is mutually beneficial. They handle court bookings on our behalf. We mentioned that in our submission to you. We, in turn, encourage our members and visitors to tennis to use Southern Cross Club as a community facility. It is a walk from the courts, so it is a great place to go for a drink after tennis if you are that way inclined.

They also contribute cash sponsorship to us. It is in the region of between \$3,000 and \$4,000 a year. Their handling of our court bookings is very valuable to us. It is worth thousands of dollars to us each year. We, in return, undertake to hold functions at the Southern Cross Club each year. There are at least two a year. So there is a flow between the two organisations. I cannot speak highly enough of our relationship with them.

THE CHAIR: Thank you for that. We will go to questions.

MR RATTENBURY: How many members did you say your club has?

Mr Gill: We have about 280. That was the number that we submitted to the annual general meeting. As I said, I have a printout of those figures here. It is quite interesting to see the break-up suburb by suburb, family members, junior members and that sort of thing. There are those figures for the committee.

MR RATTENBURY: Thank you. It sounds like you have a very positive relationship with the club. How long has that been in place?

Mr Gill: I have been in Canberra for nearly 20 years, and I joined the club very soon after arriving here from Darwin. As long as I have been here there has always been that relationship, and other members have been here for far longer than I have.

MS LAWDER: It says here “over 40 years”.

Mr Gill: Yes. Belconnen Tennis Club goes back to the early 70s. I am not even sure when the Wests Rugby club started up, but it seems that that relationship has been going for decades.

MS LAWDER: In the second part of the submission you say that the club’s “direct sponsorship also enables our club to keep membership fees low, benefiting a large proportion of our retired members and encouraging junior participation”. Do you know offhand the age range? Is it more retired people or more young people? Is it spread?

Mr Gill: It is a largely older demographic. I would observe in recent years, though, that we have started to get a few younger people through. If Nick Kyrgios continues to misbehave, maybe we will attract more people; I do not know.

THE CHAIR: But does the club run a sledging course?

Mr Gill: I have been working on my sledging for years, yes!

THE CHAIR: Not good!

Mr Gill: I think mine goes as far as telling someone their mother wears army boots.

MS LAWDER: An old favourite.

Mr Gill: We have a contract with David Beniamini, our resident coach, to provide coaching services. David has always attracted a pretty good swathe of junior players. I would observe that we are getting a lot more mid-20s players through at this time, which is a good thing, because we have a lot of players who are well into their 70s. I am amazed that they still gallop around the court like they do. The Belconnen demographic would appear to be changing. A lot of units are being built in the area—apartments and things like that—and a lot of those are inhabited by younger people. We occasionally do letter drops through those places and say, “Come and have a hit of tennis.” You pick up quite a few people that way.

MS LAWDER: How many courts do you have?

Mr Gill: Eight.

MS LAWDER: Are they grass?

Mr Gill: They are all synthetic grass. We did have a couple of paved courts, but that area is notoriously wobbly geologically and the things kept cracking. Living in leafy Aranda, we get shaken quite a bit.

MS LAWDER: Your submission says that it helps to cover the cost of court refurbishment. What kind of refurbishment do you have to do of tennis courts?

Mr Gill: If you use a good quality mat, a court probably lasts for eight years, I suppose. The problem is with chasing people up into the farthest corners. Everyone wants to play on courts 1, 2 and 5 because they are closest to the clubhouse, so they cop a lot more use. In the time since I have been there we have resurfaced every one of those eight courts, and a couple of the higher use courts a couple of times. These days you are looking at probably up to \$50,000 to do a court.

MS FITZHARRIS: Who owns the courts? Are they owned by the club or by the ACT government?

Mr Gill: We do. It is our asset; it is counted as our asset.

MS FITZHARRIS: So it is not leased from the government?

Mr Gill: No. I could spend all day here talking about the arguments we have had with the ACT government. There was a great deal of inequity in terms of lease charges. We were paying some of the highest charges, yet when you looked at Forrest, with six courts, they probably had a slightly higher land value than we did but they were paying far less than we were. But that has been negotiated and things are looking much more equitable these days.

MS FITZHARRIS: So the lease is with—

Mr Gill: The ACT government. Some of the leases go back pre ACT government. As I say, it was a mess, so it has been brought back into the one arrangement.

MS FITZHARRIS: Who was there first? The club or the courts? Was it a planned decision to have them next to each other?

Mr Gill: A good question. I do not know. The club, as I say, has been in operation since the early 70s. I think we started with four courts.

MS FITZHARRIS: With the other tennis facilities around the city, are any of the others co-located with clubs?

Mr Gill: Kippax would be fairly close to the Magpies club. The Italo Australian Club is next door to Forrest. A lot of them are within striking distance.

MS FITZHARRIS: Do they have the same arrangements in place for the court hiring administration?

Mr Gill: No, I do not think so.

MS FITZHARRIS: What would you do if the club was not able to provide that?

Mr Gill: We would probably have someone pretty much on call. Given the large number of retirees, we could probably do it.

MS FITZHARRIS: But if you did not have that volunteer base within the club—

Mr Gill: The place relies on its volunteers. The whole place is run by volunteers.

MS FITZHARRIS: So having the club doing that hiring is very valuable?

Mr Gill: Yes.

MS PORTER: In relation to the upkeep, you said the replacing of the turf is necessary. What other kinds of upkeep do you face?

Mr Gill: For some reason, just when you are about to start a pennant competition, a couple of light globes will blow out. We are very lucky; we have a tame electrician who we can ring very quickly. Electricians are one of the greatest concerns. For a while

we were having a lot of trouble with people breaking into the clubhouse. Someone torched our little storage shed at one stage. I was maintenance officer for many years and I brought a 10-foot shipping container down from Sydney, which was one of the best things we ever did. I will not say it is indestructible because someone will find a way to do it, but we lost a lot of equipment—spare nets—and a colossal amount of stuff when the little storage shed was torched.

MS PORTER: Is your insurance bill annually quite stiff?

Mr Gill: It is not bad. We are always on the lookout for the best deal with insurance, but it is very much part of risk management with a facility. When the lights go out, the car park is drug-deal central after dark. We try to keep the perimeters secure. We have had people cut holes in the fencing and things like that. We always leave our courts fully set up with nets and things. We have had people come in and pinch a net and the drags for keeping the sand spread around on the courts. Someone is obviously setting up their own court somewhere.

MS PORTER: I am glad that the lease issue has been resolved with the club.

Mr Gill: Yes, and thanks for your part in that.

MS PORTER: I have a question about the older people who continue to be members. As we know, there are a number of aged persons units around that area as well as some new units attracting young people. If you were not getting the support from the club that you are getting, would you need to put the fees up and would that have an effect on people on fixed incomes that might be coming at the moment?

Mr Gill: You would really have to test it. It is something we believe would be the case. A lot of the older people have been long-term residents of the Belconnen area and, as such, are pretty secure. We have a few people who you might say are not so economically well off. That is one of the reasons we have family memberships—to try and encourage groups. If you have a couple of kids and a couple of playing parents, family membership is a very good way to come into a club.

THE CHAIR: What is the turnover of the club per year?

Mr Gill: We spend our life chasing people who joined up. Some members will be a member for years and then all of a sudden they will just drop off. There is no way to explain what happens. There is a fair bit of churn. You probably lose 50 or 60 members a year, and that number is replaced by new players.

THE CHAIR: What is the financial turnover of the club? Having regard to the \$3,000 grant and the \$8,000 from the court hire, what is the total dollar turnover of the club?

Mr Gill: Can I undertake to provide you with some figures?

THE CHAIR: If you could. Has it ever been calculated what percentage of the money required to run the club comes from the Southern Cross Club and/or through in-kind donations?

Mr Gill: It is a bit hard to say. I would hazard a guess that it is 10 or 15 per cent. In value, not in actual dollars, but with the in-kind and things like that, I would say it is something like that. As I say, I am only hazarding a guess there.

THE CHAIR: Part of what we look at in this inquiry is, of course, the facilities and the financial support they provide to the community. There is the issue of problem gambling. Is it something that the committee has discussed or members have raised?

Mr Gill: I have very seldom seen any of our members go anywhere near a pokie, for a start. It really does not seem to be part of our thinking. I know a lot of the members, and I would not say that we have any problem gamblers—at least I have never been bitten by anyone. I certainly have been bitten outside the casino here. People wander up to you looking awfully flush but needing money for lunch. I do not think we have that problem.

THE CHAIR: In the committee itself or from members there have never been concerns raised about taking money from Wests and now the Southern Cross Club?

Mr Gill: No. I think the relationship exists outside the gambling side of things.

THE CHAIR: Mr Gill, thanks for your attendance today. A copy of the transcript will be provided when it is available. If you have any corrections or any additional information that you want to provide to the committee, we would be grateful to receive it. If you could provide the information that you took to provide on notice as quickly as possible, that would be appreciated.

HENSTOCK, MR GRAHAM (JOE), President, Tuggeranong Vikings Women's Hockey Club

THE CHAIR: We will continue this hearing with the appearance of the Tuggeranong Vikings Women's Hockey Club. I acknowledge that Ms Amaris Bailey is in the gallery listening to proceedings. Amaris is from Gungahlin College and is doing some work experience in Ms Fitzharris's office. Welcome to your Assembly, Amaris.

Mr Henstock, could you please read the privilege statement on the table before you and confirm to the committee that you have read the statement and understand the protections and obligations that privilege provides?

Mr Henstock: Yes.

THE CHAIR: So noted. Please be aware that what you say today is not only being recorded for transcription but also being broadcast and webstreamed. Would you like to make an opening statement on behalf of the Tuggeranong Vikings Women's Hockey Club?

Mr Henstock: I have been the president of the Tuggeranong Vikings Women's Hockey Club for a number of years. I have been a member since the late 80s. The club has been in existence since 1987. It has over 250 members evenly split between junior and senior female players. In the winter competitions we field seven women's teams and in the junior girls we field nine teams. We field teams in the summer competition as well. We have five women's teams in the senior competition and six junior teams. We are probably the largest female hockey club in the ACT.

We have been affiliated with the Vikings Group since our inception. As I said in my submission, they give us a grant, and we have been privileged to get an annual grant from them each year of approximately \$6,000, which helps us along our way. Unfortunately, we are recognised as probably the dearest sport per person playing in Canberra in fees, mainly because of the artificial surfaces that we play on and what Hockey ACT charges to put a team in. To put a team in to the first grade competition, it costs us, for one team alone, \$5,800 for the winter competition. On top of that you have training expenses, safety equipment and the other associated costs that come with uniform replacements.

Our outlays last year for the club were just on \$90,000. For a voluntary-run club, that is a fair bit of responsibility that a small committee undertakes. As I say, we have been lucky to have \$6,000 each year from the grant, and it helps in a big way. They not only do that; they provide us with meeting rooms at the club for our committee meetings and our AGMs. They supply us with a free venue for our presentation nights. For any sort of fundraising nights we have, we get the free use of venues.

Our competition now spreads to Goulburn and Albury. That requires us to send our senior women's team down to Albury twice a year and to Goulburn twice a year. The Vikings Group allow us the free use of a 25-seater bus, so there is just the cost of petrol, which cuts down the cost for our players a hell of a lot. We know that our women's team has the youngest average age for a team in the ACT women's competition. We have an average age of just over 17, so it is a pretty young team. So

for most of them, unless their parents drive them, the bus is a great help for us to get the teams down there. Even though it is not in money, the use of the bus is a big help.

Also the club allows us to apply for scholarships for the various players. We have one junior girl who plays representative hockey and who is on a scholarship at present. It is paid directly to her, not to the club. It is paid straight to her, to help her with her additional expenses. Before that we had another young lady that had a three-year scholarship. She flew back into Australia last night from Asia. She umpired the final of the Asian tournament. She is an international umpire. She went through with an Australian Sports Commission scholarship, and a scholarship from the Vikings Group helped her with her additional expenses. So we have an international umpire in the club through those expenses being paid. It is a lot more expensive than people understand, to get that qualification.

During the year at various stages the club has been very generous—I say “generous” but we have had to apply for it—when we applied for special bonuses for special equipment. Over the last couple of years we have applied for and received additional assistance in the purchase of first-aid equipment and safety equipment. When I say “safety equipment”, if you know hockey—I think your son plays hockey, Mr Smyth—they have a protective mask that they wear in the goals. We have made sure our junior teams each has two of these masks.

Also this year we have four under 11 teams, up from one under 11 team last year. We applied for and got assistance in buying goalkeeping equipment for the junior players. To put a junior goalkeeper on the field costs \$1,000 for the equipment alone. It is a bit hard to ask the parents to buy that. The club supplies that for those juniors. We pride ourselves on providing a safe and friendly environment for our junior players.

The other thing is that we pride ourselves on supplying the opportunity for people to play sport from under 11s, or even down to under 5s. Until last year—she was sick this year—we had a woman from the ACT who was in the *Guinness Book of Records* last year, a woman by the name of Marie Larson, who was 80 years of age and still playing hockey. So we cater for all age groups, and we are very proud that we have women up to that age still playing the sport.

THE CHAIR: Thank you for that expose of the hockey club and the assistance it gets. We will go to questions.

MR RATTENBURY: It sounds like a very positive relationship with the Vikings club?

Mr Henstock: It is very positive. They have been very generous. When I say “generous”, they assist us not only in financial ways, but they have allowed us to get onto administration courses and club management courses that were run, I think in part, by the Assembly.

MR RATTENBURY: Through sport and rec services?

Mr Henstock: Yes.

MR RATTENBURY: You actually led me to something I was going to ask you. Vikings is obviously quite an entity in the Tuggeranong valley and there are many sports that are named after the Vikings club—triathlon, rugby and all sorts. Do you have much interaction with the other sports? Do you assist each other, go to group training sessions or anything like that around some of those issues?

Mr Henstock: No, only through sport and rec—the different courses that Vikings arranged for us at the Vikings club to hear from different speakers from different sports. We have an affiliation meeting once a month where we get to speak to the others. I make a point of speaking to some of the people from other sports at committee meetings.

MR RATTENBURY: You mentioned your membership numbers. I am interested in how that is trending over time. Are you seeing an increase in participation or a decrease?

Mr Henstock: This year we had an increase in under 11s from one team to four teams. That is good. Our women's teams this year are up one team from last year. Over five years you could say we have been pretty well steady in our numbers—not a big change.

THE CHAIR: When does it become a women's only competition? When do the teams become segregated?

Mr Henstock: They come from under 11s upwards at present. We play in the Hockey ACT competition. You have an under 11 boys competition and an under 11 girls competition. Minkey, as they call it, or "Hookin2Hockey", is the first entry into the support. That is a combined sport. If you went down to ANU playing fields on a Saturday morning, you may even find the occasional girls team or boys team that is short a player, and they will throw a boy or girl on there to make up the numbers. Hockey ACT, and I know my club, encourage that to make sure the team is on the field. At that age they are not really strict about that.

MS LAWDER: Do you play on the courts down at Greenway?

Mr Henstock: We play at Greenway and at Lyneham.

MS LAWDER: Is that facility owned by Hockey ACT?

Mr Henstock: That facility is owned by Hockey ACT.

MS LAWDER: Do you have to pay court hire fees?

Mr Henstock: Our training fees per month are about \$2,000 for our teams to train. We pay that to Hockey ACT.

MS LAWDER: Apart from the Vikings grant and perhaps your individual player registration fees, what other sources of income does your club have?

Mr Henstock: The only other thing is trying to milk the same cow twice—we hit the

parents for fundraising. As I say, you cannot keep milking it all the time. We apply for meat raffles, the usual Bunnings things. We apply to go on the Bunnings rosters—like every other club in Canberra does. There is only a certain number you can get, but that is the fundraising we have.

MS LAWDER: So there is a lot of reliance on volunteers?

Mr Henstock: A lot of reliance on volunteers. The whole club relies very much on volunteers. We do not pay our coaches. We give them a gift at the end of the year, but it is all voluntary.

MS LAWDER: You may not know the answer to this, but my understanding is that Hockey ACT are looking to build some childcare centres, both at Lyneham and at Greenway—

Mr Henstock: Yes.

MS LAWDER: as an additional source of income. Will that perhaps reduce your club fees if they are getting additional income?

Mr Henstock: I would be sceptical in saying it is going to reduce our fees because of the cost of replacement of artificial carpet. I know they come back to the Assembly asking for grants all the time. At some stage that cost gets put back on to the players. I cannot see in the short term any reduction in fees to our players. That is in the short term. Maybe once it gets established it could happen, but I am very sceptical that that will be immediate. There definitely will not be an immediate reduction in fees.

MS LAWDER: Finally, the national tournament is coming up next year, I think?

Mr Henstock: Yes, we have the world masters here next year—men and women. Then you have the trans-Tasman series in 2017 and 2019.

MS LAWDER: Would there be opportunities for the club to undertake some fundraising at those types of competitions, or is that Hockey ACT?

Mr Henstock: That is Hockey ACT and Hockey Australia. Hockey Australia is also looking at getting a bit of money out of them for the national team. As with all sports, especially for the national teams, it is very hard to get sponsorships nowadays.

MS LAWDER: How many hockey teams are there in the ACT?

Mr Henstock: In the women's competition there would be 70-odd teams. In the men's, it is about the same. The junior girls I think have 40-odd teams. The boys have about the same.

MS FITZHARRIS: In terms of your membership, is it largely family based?

Mr Henstock: Yes, very much family based. It is mums and their daughters playing. We have another club we are affiliated with, the men's hockey club. At present we are working towards amalgamating both those clubs into one club. We are doing that

because of there being less call on volunteers. We have people working in both clubs, anyway.

MS FITZHARRIS: So the same volunteers are spread over two clubs?

Mr Henstock: Yes. We are looking at present at working towards an amalgamation of the men's and women's.

MS FITZHARRIS: Have the women's and girls' participation rates gone up, in your observation, over the last 10 years or so?

Mr Henstock: In the last 10 years it has gone up. In the last four or five it has been pretty well stable. We are at present the champion women's club in Canberra. We hold the champions cup. We held the junior champions cup for two years in a row and for the women's this is our third year in a row.

MS FITZHARRIS: Congratulations.

Mr Henstock: It is a very young club in the actual competition but, as I say, we cater for all ages.

MS PORTER: I played hockey when I was a young woman. It was the only sport that I was ever any good at, by the way. But I did not continue.

Mr Henstock: There is always an opportunity there.

MS PORTER: With two false hips, I do not think I can come back to it.

THE CHAIR: You could have been in the *Guinness Book of Records*, Ms Porter.

MS PORTER: I very much doubt it.

Mr Henstock: She was 80 years of age.

MS PORTER: With regard to the support that you are currently getting through the club et cetera, if that was not there, would you have to put up your fees for people to continue to play?

Mr Henstock: Yes, we would. As I say, even though \$6,000 does not look like much out of \$85,000 or \$90,000, with the ancillary stuff that comes with it, we still have to find funds for that. Yes, we would have to pass on those additional costs. The only place we can get it is from our members and our players.

MS PORTER: When there is a family, do they have a family membership or does each particular child have to pay and each individual adult have to pay?

Mr Henstock: We give them a family discount. But the cost of the sport being what it is, it is not much of a discount. We try to give a 10 per cent or 15 per cent discount for a third player. But it is still charged per player. Does that make sense?

MS PORTER: Yes, that makes absolute sense. Do you know what percentage of that is to cover insurance? As you have pointed out, you need a lot of safety gear because it can be quite dangerous from time to time.

Mr Henstock: As I say, when we pay our nearly \$6,000 for our first grade side to Hockey ACT, that includes the Australia-wide insurance coverage, which is arranged through Hockey ACT and Hockey Australia.

MS PORTER: That comes down to every single player?

Mr Henstock: That comes down to every single player. So long as they are registered with us and we register with the federal body, they are then covered by that sports cover. That is all included in the fees we pay to the association.

THE CHAIR: How important are the facilities that Vikings have for your club?

Mr Henstock: The Vikings Group?

THE CHAIR: Yes.

Mr Henstock: The use of the meeting rooms is good for us. One of the biggest things is our presentation night, when you have, say, 250 members plus their partners. We generally hire the auditorium for the afternoon for the juniors. You have 100-odd junior players plus their mums and dads, grandparents and siblings. You need a big area. If we had to pay for hire, that is a big additional cost on us. At night-time we have our senior comp presentation. Once again, you are up for a couple of hundred people. You need a big area, and the cost of venue hire is great. The lack of any hire costs for us is great.

THE CHAIR: You mentioned scholarships for both the young lady and the umpire. What is a scholarship worth?

Mr Henstock: If they are at college I think it is \$500, from memory. If they are in tertiary it is \$1,000 a year. The scholarship runs for three years if they remain at that same educational institution. If they move on or stop, the scholarship stops. They have to apply each year. Part of the scholarship is that they have to get a report from the educational facility that their sport is not detrimental to their studies and they are keeping up with their studies. It is all covered in that way. The club also gives them backing.

THE CHAIR: Ms Lawder mentioned, for instance, that Hockey ACT is thinking of childcare centres. On that diversification, does the club have an opinion on clubs being less reliant on gaming and more reliant on other activities? Does your club have a view on that or is it not something that is discussed?

Mr Henstock: Some people are asking questions about the childcare centre and whether it is going to be open on the weekends. That is one of the first questions they ask me when I come back from meetings with Hockey ACT where they explain it. The first question that my members asked me, especially the mums, was, "Is it going to be open on weekends and is it going to be open at night-times or is it going to be an

occasional care centre or is it just going to be run for the working mums during the day?” That was the first question that they asked me. The information I have is that they hope to have it open at night-times and on weekends, as an occasional care centre, which the mums think is a good idea.

THE CHAIR: One of the impediments to keeping women in sport at the senior levels and as they grow older and start families is child care to allow them to train and play?

Mr Henstock: Yes, that is one of the things. We have one young umpire who can umpire if she has someone to look after her young baby. It does come into it. We have another family where mum can play if her daughter has someone to look after the young one. If mum is not playing, either mum or the daughter has to be able to look after the young one that is there. We try to make sure that the games do not clash, so that the young ones can be looked after.

THE CHAIR: So a childcare facility in that case would be advantageous?

Mr Henstock: It could be quite beneficial.

THE CHAIR: The issue of problem gaming has come up. Is that something that has come up at board meetings or have members of the club pondered the wisdom of taking money from a licensed club?

Mr Henstock: It has not come up at a board meeting in relation to that sort of stuff. For the people involved in sports clubs, even though they go to a licensed club for meals, most of my members have two or three nights out at hockey and the Saturday and Sunday at hockey. I do not think they are gambling people. They might gamble, but I do not see any evidence of it.

THE CHAIR: Mr Henstock, thank you for your appearance this morning. Thank you for all the good work your club does in our community. When it is available, a copy of the transcript will be forwarded to you in case there are any corrections you want to make. If there is further material you would like to provide to the members of the committee, we would be grateful to receive that. Thank you for your appearance here today.

Sitting suspended from 11.43 to 11.59 am.

McRAE, MR NIGEL, Entertainment Coordinator, Canberra Musicians Club
SWENSON, MS SIMONE, Vice President, Canberra Musicians Club

THE CHAIR: Good afternoon and welcome to the final session of the public accounts committee inquiry into elements impacting on the future of the ACT clubs sector. We welcome the Canberra Musicians Club to give evidence to the inquiry. Thank you for your attendance today. On the table in front of you is the privilege statement. Could you please confirm for the record that you have read the statement and understand the implications and obligations of privilege?

Mr McRae: I have.

Ms Swenson: Yes.

THE CHAIR: So acknowledged. This hearing is being recorded, so there will be a *Hansard* produced. It is also being broadcast and webstreamed. Would you like to make an opening statement on behalf of the Canberra Musicians Club?

Mr McRae: Yes, I would. As you may or may not know, we are very active in the community, working in the musical sector, supporting bands, providing lots of opportunities for bands to play and for audiences to listen to them. As such, we have been very reliant on the community sector to provide us with spaces to play to be able to undertake those activities. We have a vicarious interest in the whole sector because we are constantly seeking new places to undertake those sorts of activities.

A big concern for us in this whole issue has been watching those spaces disappear over the last few years. So we feel like we have some pertinent things to say regarding the whole sector.

THE CHAIR: We will go to questions.

MR RATTENBURY: Picking up from where you left off, I hear that there is a shortage of live music venues around town. Can you elaborate on your experience in that regard?

Mr McRae: Canberra has a really chequered history with live music venues. For the most part it has been undertaken in the private sector and done to various degrees of success or quality. It has struggled a lot because of issues like noise complaints and so on. We have undertaken to try and step out of the private sector to a degree and undertake it as a community affair. We have found that that has been very successful.

The contemporary music that we do is not particularly supported by the ACT government in terms of providing venues, whereas other aspects of the arts have their bricks and mortar—there are community theatres, galleries and so on. So we operate in this area where that is missing.

One of our experiences was finding a very good venue at McGregor hall at New Acton. Unfortunately, we were standing right in front of the bulldozer there and we lost that. We are moving constantly from place to place as resources get diminished. Also we are seeing places that have potential disappear because of decisions made

about redevelopment and so on.

Part of our agenda is to find these community resources that are ailing and to revitalise them with real, genuine community activity. Of course, the concern for us is that a lot of the clubs have an enormous revenue stream from pokies and so on. It creates a distortion in the market where you get these mega clubs buying up all of the smaller clubs, particularly in the inner city areas, running them down and then saying that they are unviable and that they have to sell them and turn them into apartments. We would like an outcome of this inquiry to be: let us look at all of the community resources about town and let us make some of them sacrosanct; otherwise we will be left with no community spaces in the inner city area.

MR RATTENBURY: It is well known that you have a really strong partnership with the Polish club.

Mr McRae: Yes.

MR RATTENBURY: Can you tell us a little more about that and what contribution that has made? Certainly, in my experience, when we all went to the reopening of the Polish club after the fire—I know Mr Smyth was there; I do not know how many other members were—the Polish club were very positive about the role that your organisation has had in terms of bringing some revenue to the club and the like. Can you tell us more about that partnership?

Mr McRae: It has been a wonderful relationship that we formed probably three or four years ago. It was interrupted, very sadly, by a fire, but we have just recently started up there again. We put them on a very sound financial model so that they are able to continue with all of their community activities for the Polish community—their fortnightly sausage sale, the Polish restaurant that provides food to their older members and that sort of stuff—while being able to maintain the building. It is a symbiotic relationship that we would like to see done more throughout the clubs sector.

There are other clubs that are doing it as well; the Polish club is not the only one. When we were at the Turner Bowling Club for a year, they were very helpful to us and it was good. There are other venues that are doing it. Sadly, the smaller clubs that might be willing to do that are being cannibalised. The same management structures that are overlooking the mega clubs are coming to operate there. It is not nearly as beneficial to the community.

MR RATTENBURY: Do you have access to other venues around the city? Are there any other venues doing live music?

Mr McRae: There are private venues around town—the Phoenix, Transit Bar. Where else in the city?

Ms Swenson: In terms of clubs, we have worked with the Croatian Club and also the Alliance Francaise, and opened them up to potential new markets and customers who have now seen the facilities that they have available.

Mr McRae: I think we were instrumental in helping the Turner Bowling Club, with the new RUC management, appeal to a slightly different audience in that area—hopefully some of whom would have stayed now that we have gone.

MR RATTENBURY: Do the larger clubs—I will not name names, but the various big ones around town—do anything in terms of local live music, or is that not part of their model? Have you tried that and has it worked or not worked?

Mr McRae: I have not really thoroughly investigated that sector. The opinion I have had whenever I have looked at it is that they do not really want to support local music. I should say that our thing is all about original contemporary music in this town. We do not really support cover bands and so on. There are already a lot of them and they do quite well. That is where they tend to thrive—in those bigger clubs which go for a lower common denominator of entertainment. We have not found them to be particularly supportive, but nor have we really reached out to them that strongly.

MS LAWDER: Continuing on about the developer pressure regarding facilities, we heard from some clubs earlier this week about proposals to build—the German club and the Spanish club, I think—social housing between the two clubs. They were concerned about the noise—people in housing potentially complaining about the noise. I think that is the point that you are making?

Mr McRae: Is that the Harmonie German in Narrabundah?

MS LAWDER: Yes.

Mr McRae: Who is proposing to build the housing?

MS LAWDER: It is a possibility talked about for now, I think.

MS FITZHARRIS: The ACT government—public housing properties.

MS LAWDER: You have suggested the possibility of potentially zoning to consider for night life or entertainment precincts. I seem to recall I have heard similar concerns around the new Kingston foreshore area—people move in because they feel it is going to be a vibrant area and then once they are there, potentially they complain about the noise. Are you aware of this kind of concern in other cities or other states, and have they done anything about zoning?

Mr McRae: Yes. All capital cities have these problems. Canberra has its unique problem because its zoning is very much different. But in, say, Sydney and Melbourne, you have what were former light industrial areas where you could have quite a noisy pub because the area would be empty. Now all those old factories and whatever have been colonised by people turning them into apartments and so on, and they are creating issues with the noise. They want to live in the city where it is vibrant, but they want to be able to go to sleep at 11 o'clock. Canberra has that same problem in that now, in what used to be commercial zones, we are packing hundreds of apartments into them. Some of those people want the night life and some of them want peace and quiet. It only takes one of them to ruin everyone else's fun, to a degree.

With the Polish club, if the Croatian club went down and became a whole lot of apartments, we would possibly be in a parlous state there because we might have noise complaints coming. For us, we are trying to hang on to these little clusters of community spaces and not let any of them fall into the hands of the developers. If we are going to do it, let us do it in an orderly way, not just cherry picking all the best sites.

I have been given a list of places that are having issues. The Harmonie German and Spanish have been mentioned already. There is the Brumbies over in Kingston, and we are concerned about the Braddon club—the Raiders, the Canberra Rugby League club, right near Civic. The Braddon bowling club is now turning into some sort of urban hamlet. Then there is the Deakin bowlo.

THE CHAIR: Perhaps you would like to take that on notice and provide a full list to the committee later, and the particular issues about each site. That would be very useful.

MS LAWDER: That would be your recommendation potentially about zoning specifically for night life or entertainment precincts; is that right?

Mr McRae: That would be great. That is a wider issue. We already addressed that in a previous inquiry here.

MS LAWDER: New Acton is another area. I have heard some similar complaints about that.

Mr McRae: Yes. That is an unusual one where the developers are also creating the noise that their residents are complaining about, because they want a very active night life over there. But some of the residents do not seem to want that.

MS FITZHARRIS: The list that you mentioned; they are not currently live music venues that you use?

Mr McRae: No. We are merely trying to preserve them in case in the future we might want to, or for any other community uses. Our concern is that land that was originally allocated for community use is now, in an unregulated way, being taken away from the community and put into private hands. We are wondering where Canberra is heading in the future. Are we going to have community spaces at all?

MS FITZHARRIS: There are a lot of answers to those questions. I do not think it is unregulated. I certainly think in some instances all of those are largely in the inner, older parts of Canberra. But in different parts of the city there are different issues. Certainly when the Polish club came in, they were really happy with the partnerships that you have got, but in terms of a sustainable business model for them, they hope to get that. They were really positive when they spoke to us, but they did say they can only afford to employ one person part time and that everything else they do is run by volunteers opening up the hall. While it is great, it is not yet at the point of being a sustainable business model.

Mr McRae: No, but it is not a business—it is a club.

MS FITZHARRIS: They were the words they used—a sustainable model.

Mr McRae: All of our events—

MS FITZHARRIS: And they are the words you used in your submission. With the noise issues in O'Connor, do you have those raised by the local residents in any way?

Mr McRae: We very seldom have a noise complaint over there. That is part of our mode of operation; we do not do things very loudly. We try not to annoy the community.

MS FITZHARRIS: It is interesting that you have been there for quite a while now and that has not been raised.

Mr McRae: Yes.

MS FITZHARRIS: Do you reckon most residents would know that you are there?

Mr McRae: Not necessarily.

MS FITZHARRIS: In terms of other venues that you could use, could that become your hub, effectively, in Canberra—your home base in a sense?

Mr McRae: The Polish club?

MS FITZHARRIS: Yes.

Mr McRae: It is.

MS FITZHARRIS: Could that be at a longer term level?

Mr McRae: I hope so.

MS FITZHARRIS: But you would like to take it out into other clubs or take it out into other venues across—

Mr McRae: We would like to see the model spreading around Canberra. I do not know if we can necessarily do it. But we put in place a practice that works. It is an effective strategy, so other groups could do it as well. It is being done to a degree. The Harmonie German Club is being used very regularly by the Blues Society. It is not rocket science or anything particularly new. We are just demonstrating, once again, that you can do this sort of thing, build a community and support the arts and also support clubs.

MS FITZHARRIS: The Polish club were very proud—I think you mention it in your submission—that they do not have poker machines either.

Mr McRae: Yes.

MS FITZHARRIS: But the Harmonie German Club told us yesterday that 50 per cent of their revenue is from poker machines, so that is quite a different model. In your submission you made the point that you support efforts to tackle issues of antisocial behaviour around alcohol but that changes to the Liquor Act have impacted disproportionately on small and low-risk venues and one-off events.

Mr McRae: Yes.

MS FITZHARRIS: We heard that from the smaller clubs that came in yesterday as well.

Mr McRae: We supported the review of the Liquor Act, but I do not think anyone had ever pointed out a problem that was being caused by liquor permits and people selling wine at a community picnic or something like that. One of the main things they changed was how difficult it was to get one of those liquor permits. It used to be one page and \$49 or something. The price tripled and it was a 40-page risk assessment management plan, floor plans and all these other things. It just seemed really crazy.

MS FITZHARRIS: The clubs have put an argument to the committee that they support ways to tackle antisocial behaviour, but the regulations have gone too far in terms of gaming as well. Any sort of measure of the level of harm from gaming does not come anywhere near the level of harm from alcohol. We had evidence that there was 0.5 per cent of the population in Canberra—through the recent gaming and racing prevalence study—of adults harmed potentially by gambling, but the ACT Health alcohol prevalence study is closer to 30 per cent. Do you have a view on the gambling issue?

Mr McRae: I am personally against gambling. I do not think you can stop it. People will always gamble. I find it a little bit disturbing that so much revenue is being funnelled through the clubs and some clubs are getting incredibly wealthy. They are supposed to put eight per cent of their pokie winnings into the community. Why aren't they putting 100 per cent into the community? Aren't they community groups? Where does the other 90 per cent go? It seems to just go in acquiring bigger buildings, buying little clubs, and possibly there is the political influence. How powerful are these organisations and what sort of influence are they having over policy?

MS FITZHARRIS: They employ thousands of people in Canberra as well. That is where a lot of that income goes.

Mr McRae: I am not saying they do not do any good for the community, but we have to look at all of the effects of it.

MS PORTER: In relation to your feelings about the poker machines, what is your club's attitude towards playing in other venues where poker machines are operating?

Mr McRae: When the Polish club nearly burnt down, we moved to the Turner Bowling Club. At that time it had been taken over by the RUC and they had removed the pokie machines. We were really happy about that and we were really hoping that we could show them another revenue model which might not bring in the millions but

at least it would not create the social damage, and that they might not reintroduce them. Unfortunately, their business model included putting in a little casino down the back. We were still happy to do it, but we would rather be at the Polish club where they do not have it.

MS PORTER: Your choice of venues would be reduced by the fact that a lot of clubs have a few poker machines, at least. You would rather not play at those places?

Mr McRae: Yes, if we had a choice, we would rather not. We have used the Croatian club, and they have a small pokie room there. We said, “Do you mind if we just close that off?” but they did not want to do that. None of our members went in there, anyway; none of the people who came to our events wanted to go in there.

MS PORTER: Are you aware that their income from poker machines is dropping? It is going down and that is why the clubs are trying to diversify into other things—

Mr McRae: Yes.

MS PORTER: because their income is going down?

Mr McRae: That is good.

MS PORTER: They are trying to find other ways of raising income.

Mr McRae: I hope that redeveloping all of the inner city clubs into apartments is not the only thing they think of. They have to look further afield for income or change their models. They have become mega businesses. I think they have lost the original point.

MS PORTER: In relation to the existing moneys that they give, some of them obviously give over and above the eight per cent that they are required to—

Mr McRae: It is 13 per cent or something.

MS PORTER: Yes. We heard from Cerebral Palsy Alliance this morning, who rely quite heavily on ClubsACT and their members for the families with children with cerebral palsy. They may not have to continue to do that because of the NDIS, but where do you think those kinds of organisations and tennis clubs and all sorts of other clubs would find the resources to support their activities were it not for the community clubs?

Mr McRae: What did they do before the pokies came along? Fundraising events, membership fees, applying for government grants.

MS PORTER: They already charge membership fees. So you are suggesting it should be through the endless chocolate and lamington drives and things like that?

Mr McRae: Yes.

MS PORTER: Which they already do, of course, as well.

THE CHAIR: From what you say, I hear that you would like recognition of prior occupancy so that, should a development go ahead, it does not disadvantage the current uses and occupants of a building.

Mr McRae: That would be very good for Canberra generally, particularly with the issues in the city. You can have people moving into an apartment block next to an existing live music venue, and they know that it is there, but then they start complaining about it. This has happened numerous times.

THE CHAIR: Caveat emptor—buyer beware.

Mr McRae: Yes. There is no existing law like that at the moment.

THE CHAIR: Are you aware of the live music venues report that a different Assembly committee did, that I think Ms Porter was on?

Mr McRae: Yes, we made a submission to that as well.

THE CHAIR: Where the recommendations have not been implemented, should they be further implemented?

Mr McRae: I did not hear of any of the recommendations being implemented yet.

THE CHAIR: That might be something for us to follow up. You mentioned that you think you offer a model that would allow many of the smaller clubs to survive. How many venues could adopt a similar model to, say, the Polish club and survive? There are not an infinite number of musicians at this stage, but maybe that will lead to the renaissance of live music. How many clubs could adopt that model that the Polish club has?

Mr McRae: There is only a limited music audience and a limited number of bands, so you cannot have 100 Polish clubs all over Canberra, but there are other ways that the clubs could engage with the community. There are very exciting things happening in Sydney with the Petersham Bowling Club, where they have had a new board go in there and they have opened the club up to things like a childcare centre, arts groups—different community groups using different spaces there—and it is a really great live music venue at night. If people with these great facilities in the middle of the city cannot turn them into active community activity, they should give them over to another group who can and will. Instead they are just being bought by a bigger club and sold off.

THE CHAIR: The issue with the liquor licensing, is there too much red tape and too high a fee structure, particularly for the smaller and medium clubs?

Mr McRae: I am just purchasing a venue right now and getting a liquor licence. I find the amount of procedure fairly reasonable, and the costs are okay. Our main complaint was with the liquor permits, which were a very simple system that the ACT had that worked beautifully, and I do not think it caused a problem. Then they made it so onerous that we just gave up running events with liquor at them where we were

having to get a permit because it was too much hassle.

MS FITZHARRIS: I do not know the difference between a licence and a permit for liquor—a one-off?

Mr McRae: One-off, or you can get them for a period of three months and you can have 12 events in that time.

MS FITZHARRIS: That is more onerous, you have found, than the liquor licence?

Mr McRae: Yes. It is too much effort for a one-time event.

THE CHAIR: You then have to do the RAMP document.

Mr McRae: You have to do a RAMP for each event.

MS FITZHARRIS: So one is where alcohol is served and the other one is where alcohol is able to be brought to the event?

Mr McRae: Yes. With a liquor permit, you are selling alcohol to your guests, but on a one-off or an occasional basis. A licence is permanent.

MS FITZHARRIS: With the Polish club, do they hold the liquor licence?

Mr McRae: Yes. That is where they make their revenue. They sell alcohol at reasonable prices. But our crew like to have a drink responsibly.

MS FITZHARRIS: When people come to events at the Polish club, are they members of the Polish club? Do they pay to be members of the Polish club?

Mr McRae: Some of them probably are, but really they are guests.

MS FITZHARRIS: They are signed in by people who are.

Mr McRae: Yes.

MS FITZHARRIS: Do they pay you, for example, a cover charge to come in?

Mr McRae: Yes. That is where we get our revenue. We pay the bands with that.

THE CHAIR: You also mention the issue of soundproofing. How would you determine what new developments should have soundproofing? Is it where an existing live music venue currently operates?

Mr McRae: You cannot look at these things in isolation. If we were to have entertainment zones that could be established now in the centre of the city, in some of the suburban centres and in places where there is very likely going to be further development, you could establish those zones and then you could establish building codes to go with them and say, “If you’re going to build in this area, you’ve got to understand there could be noise. For the amenity of your residents, you should be

protecting them from the noise outside.” I am not a builder; I do not know the building codes. But there should be additional insulation to protect them from the noise.

THE CHAIR: On behalf of the committee, thank you to the Canberra Musicians Club for appearing today. We welcome your submission. Thank you for your perspective. When the transcript is available, a copy will be forwarded to you. If there are any corrections or alterations you want to make or any further suggestions, we would be grateful to receive that. That finishes the public hearing for today.

The committee adjourned at 12.29 pm.