



Membership Fees for What ?

From time to time the Association receives correspondence from golf clubs or District Associations questioning the payment of membership fees.

One such letter was received recently from the South Gippsland District Association. It contained a series of questions which delegates had raised at a recent District meeting and a request that VGA publish the answers in Golf Victoria Magazine so that all golfers and clubs can be informed.

Golf Victoria raised the questions with VGA Executive Director, Doug Fox.

So here they are.

Q. Why do clubs have to pay affiliation fees?

A. Obviously the VGA needs income in order to be able to function as the parent body for golf clubs in Victoria. Membership fees are its main income source although VGA constantly seeks sponsorships and government grants to keep the cost for clubs as low as possible.

Clubs established the VGA in 1902 in response to the need for standardization, coordination, communication and a central forum. Clubs choose to affiliate in order to enjoy a wide range of benefits for their clubs and their members.

Hopefully also, clubs and golfers do understand that their membership contribution represents an investment in the future of the sport. If they are not prepared to make this modest investment no one else will and the sport will suffer.

Q. The fees are regarded by golfers as too high. Can't they be reduced?

A. The fees are set each year after a careful budgeting process in which VGA assesses what is needed to deliver its services, programs, events, communications and other activities to support clubs and promote and develop the sport. VGA is always conscious that the level of fees should be responsibly contained.

What is often not understood is that the fees are levied on clubs, not on individual golfers. In order to keep the system fair for all, the size of each club's annual affiliation fee is based on how many members it has. In this way each club pays its fair share.

VGA takes into account that country golf clubs also pay an annual fee to support their District Association. VGA country clubs are given a 50% discount and a further 50% discount is given for juniors aged under 14 years.

VGA membership fees for 2007 are :

Country golf clubs – adult	\$11.00 per golfer
Country golf clubs – junior U14	\$ 5.50 per golfer
Metro Member clubs – adult	\$22.00 per golfer
Metro Member clubs – junior U14	\$11.00 per golfer
Victorian Golf League – adult	\$11.00 per golfer
Victorian Golf League – junior U14	\$ 5.50 per golfer

At the time when VGA collects its annual membership fees, it also collects \$5 per golfer affiliation fee for the national parent body, Golf Australia, plus a further \$2.50 per golfer for clubs which choose to be part of GolfLink. GolfLink, the national computerized handicapping system, is provided by an independent commercial partner of Golf Australia.

The VGA fees are low by comparison with other sports. Taking an 11 year old junior as an example, Swimming Victoria's fee is \$57.50 per player, Netball Victoria charges \$30, Victorian lacrosse \$70 and Victorian Cycling \$65. For adults, some parent sporting associations charge up to \$200 per person per year for membership and deliver services which are minor compared with VGA .

For VGA to reduce membership fees, some reduction in programs and services would be necessary.

VGA, with 9 full-time and 1 part-time staff, already operates on a lean basis compared with other large sports. Cricket, for example, has 24 full-time development officers working in metropolitan and regional areas in Victoria to assist clubs with development and recruiting. VGA has three staff members involved with development as part of their employment, but no directly employed development officers.

Many would argue that there is a much stronger case for increasing membership fees and expanding support services within golf than there is for fee reductions, especially given the membership declines being experienced by golf clubs and sports in general.

- Q. Affiliation fees have to be paid more than once for golfers who belong to more than one club. Isn't this "double dipping" unfair?**
- A. This is a common misunderstanding. Individual golfers are not members of the VGA. The VGA's members are the affiliated golf clubs, District Associations and the Victorian Golf League.

Membership fees are collected annually from each affiliated golf club and VGA provides member services to the club and its members. For equity, the amount collected from each club is based on the club's membership size and equates to its share of the total running costs of the Association. Unfortunately, many clubs list a VGA fee as a separate item on their club membership fee notices. This creates the false understanding that individual golfers pay a fee to the VGA for their golf handicap and that those who belong to more than one club are forced into multiple payment. The reality is that golfers who choose to belong to more than one club are obliged to pay membership fees to each club. Part of those fees are used by the club to maintain affiliation with the VGA and Golf Australia. The State and National

parent bodies provide a wide range of golf and other services which go largely unrecognized by club golfers.

The VGA could base each club's membership fee on the number of "home club" golfers only. If it did this the "per capita" amount used to calculate the club fee would need to be increased in order to achieve the total funds needed to run the VGA as the pool of golfers would be smaller. This would result in golfers who belong to one club incurring a fee increase and those who choose to belong to two or more clubs being subsidized to enjoy the benefits of their multiple membership. Also many large, well-resourced clubs in holiday locations have significant numbers of members who are not "home club". They would receive major reductions in fees at the expense of small rural clubs.

VGA believes it is fairer to have each club contribute its share of VGA running costs in proportion to the size of its membership. This matter has been discussed on more than one occasion at VGA General Meetings and each time the clubs and District Associations have resolved to retain the current system. Of course, it is the right of any member to bring this matter forward for review at any time.

Q. Many country golf clubs are hurting and struggling at present. VGA may feel that raising its membership fees by \$1 or \$2 per year is insignificant. Does VGA understand that fee increases directly affect the ability of clubs to retain and recruit members?

A. VGA is very aware of the sensitivity of fee levels and fee increases and works to limit these wherever possible.

The stated level of fee increases is inaccurate. The facts are that there has been no VGA fee increase for country clubs at all for the past two years and a total increase of 25 cents only (12.5 cents for juniors) over the past four years.

The increases referred to relate to Golf Australia (and formerly AGU) whose fees are collected in conjunction with VGA fees. Over the past ten years the VGA fees for country golf clubs have increased by a total of \$3.50 (\$1.75 for juniors), an average of 35 cents per year (17.5 cents for juniors). This is modest by any standards.

VGA does understand that members resist fee increases. The reality is that costs do increase across time and neither golf clubs nor the VGA are immune from these pressures.

Q. What does the VGA do for clubs and golfers in return for membership fees ? Can you explain in a way that makes it clear for club golfers ?

A. The VGA works with the key objective of promoting and encouraging the playing and enjoyment of golf. Its role is to co-ordinate, communicate and catalyse rather than to control or direct the activities of its member clubs and District Associations. VGA monitors the full range of social, economic, environmental and political forces and issues which exist in our society and acts to ensure that a favourable climate for golfers and golf clubs is maintained.

Some of the benefits and services which the Association provides are visible and tangible, such as the hundreds of golf events people get to play in, or the junior camp their child attends or the golf rules workshop VGA conducts for their club. Others are not always readily seen but, nonetheless, are just as important in assisting and protecting golf.

There are a few golf centres in Victoria which are not affiliated with the VGA. They miss out on the programs, industry research and advisory functions provided through affiliation.

For club golfers, VGA membership means:

- You have an official Australian Golf Handicap and are accepted into competitions inside and outside of your own club and worldwide.
- You are eligible to enter the 314 days of open events and State Championships conducted each year by VGA and other competitions sponsored by clubs under VGA auspice.
- You are eligible to participate in the wide range of coaching, clinics, talent development programs, squads, teams and special events conducted by the Association.
- Your club has the protection and opportunities which flow from being part of a major Association which is well-respected by government, media and business sectors.
- Your club has access to the legal, advisory and representation services provided by the Association on a range of matters which affect club financial security, environmental and statutory compliance, strategic planning, promotion and other issues. Examples include Equal Opportunity, Child Protection, Occupational Health and Safety, Crown Land leases, superannuation, insurances, planning issues and water restrictions.

If every individual club had to undertake its own research and legal work in these areas, then club fees would skyrocket.

- You and your club has access to the golf services and resource materials provided by VGA for rules of golf training and accreditation, course rating, handicapping, amateur status, competition conditions, junior development, adjudication and dispute resolution.
- You and your club are kept informed with news and information via the Association's www.golfvic.org.au website, Golf Victoria Magazine and a range of newsletters, circulars and other distributions
- Your club has access to support services such as turf research, industry research, forums, conferences and communications.
- Your club is eligible to receive grants for development activities from the Victorian Golf Foundation.

Space prevents an elaboration of all of these areas but a practical example of the Association's role in the topical area of water for golf helps to clarify the behind-the-scenes benefits of affiliation.

VGA has for many years advocated that clubs give high priority to water supply and sustainable water management. It has backed its advocacy with a variety of practical actions that have improved or saved many clubs. These include:

- alerts to clubs re registration of dams following amendments to the Victorian Water Act.
- Turf research and technical report dissemination on drought tolerant grasses and best practice irrigation
- Statewide golf water survey followed by publication of a report "Sustainable Water for Golf in Victoria"
- Conduct of state-level forums on water management
- Publication of a Water Management Planning Template for golf supported with a series of compliance fact sheets
- Advice and assistance on sources of grants and applications for funding for water management projects
- Liaison with Water Authorities and governments on drought response and water restrictions
- Establishment of a Victorian Golf Drought Relief Fund in conjunction with Women's Golf Victoria to provide financial grants to assist clubs in danger of losing putting greens

Such is the extent of the Associations activities, it is not surprising that many clubs and golfers find difficulty understanding the full power of the VGA's contribution to their welfare and to their enjoyment of the sport. Approached with an open mind, it seems difficult to understand how anyone might claim that the annual cost to golfers of affiliation, which amounts to no more than a movie ticket or a small pizza, is unreasonable or not good value.

Q. VGA requires Districts to enter a team each year in Country Week. This is a costly exercise which VGA has assisted with via sponsorship in the past. There is no sponsorship provided at present. Does VGA intend to re-establish sponsorship or could it give subsidy grants as it does with the Junior Regions competition?

A. Helping to develop the quality of golf within clubs in a District is one of the main responsibilities of District Associations. This is part of the reason they collect fees from their member clubs and part of the reason that VGA gives country clubs a 50% discount.

VGA expects Districts will want to participate in Country Week in order to provide their best golfers with opportunity to play in pinnacle team competitions on Melbourne courses without the burden of green fees. VGA does not demand that Districts enter teams and the cost structures for Country Week are under the control of each District. Some Districts spend significantly more than others in subsidizing their teams and most have their own District sponsors.

VGA has secured sponsorship support for Country Week in prior years but this was lost five years ago. VGA has made repeated attempts to replace this sponsorship but without success. The reality is that Country Week is not an attractive sponsorship property for most commercial businesses. VGA will continue to seek sponsorship for Country Week but recent evidence suggests that individual Districts may be more likely to achieve success by operating independently.

The question of VGA providing a direct grant to Districts to subsidize Country Week is Catch 22 as it raises the prospect of membership fee increases.

An alternative approach which VGA will place on the agenda for discussion is to alter the structure of Country Week to reduce costs. For example, the Country Championship could be separated from the District Teams Competition with entry to the Championship becoming the responsibility of individuals. The District teams competition could be played in a regional groupings format using local country courses and single night accommodation followed by a 2-day final in Melbourne or central Victoria for the four leading teams.

Q. Many clubs have been experiencing membership declines for a number of years. Is the VGA doing anything to arrest this situation ?

A. Membership is clearly a responsibility which is best handled directly by clubs. Clubs need to be strategic and energetic in building and retaining membership.

The VGA is conscious of membership difficulties being experienced by most clubs and does play an active role to assist, mostly through the combination of services it provides to improve playing experiences, golf course quality and opportunity for participation at all levels.

In some instances VGA acts directly to recruit golfers or provide support to clubs seeking to recruit or retain members.

For example, VGA has initiated a variety of junior development programs and activities which bring young people to the sport and to clubs. Each year 2000 children participate in the Victorian Primary Schools Championship. This is a great avenue for clubs to link with their local schools to attract junior members. Clubs which do this year by year are likely to have a younger membership profile, a pool of talented young players and the prospect of additional recruits from parents and family.

VGA is currently resourcing and coordinating a special junior project in south-western Victoria with the support of a Victorian government grant. Eleven clubs opted to be part of this program and each have benefited by a significant expansion of junior activity in their club. A similar project is planned to start in July in the Dandenong-Frankston-Mornington Peninsula area. Other clubs and Districts will be able to benefit from the experience gained in these pilot projects.

On adult participation, VGA has for the past five years conducted the "Golf for Me" community golf introduction program for people interested in entering the sport. The program covers golf skills, rules, etiquette, equipment and playing experiences at golf clubs. Good membership recruiting results have been achieved by participating clubs.

Recognizing the large and growing importance of the baby boomer retirees, VGA has expanded competition opportunities for seniors as a means to attract and retain this demographic within club memberships.

VGA also directly assists clubs which are pro-active in helping themselves. Any affiliated golf club can apply for a Victorian Golf Foundation grant to help fund community clinics, try golf activities or other membership initiatives. The South Gippsland District and all but one of its member clubs have received VGF grants during the past 12 years for junior clinics, community clinics and women's clinics. For 2007, VGF grants to the District Association and clubs totalled \$5900 with one club receiving practically its entire VGA membership fees back in grants.

Over many years VGA has catalyzed discussion, provided resource materials, coordinated forums and generally provided advice to assist clubs wishing to build membership. A major independent research report titled "Issues and Challenges for Golf Clubs in Victoria" was commissioned by VGA and issued to all clubs in 2005. It contained information and ideas on membership. This was followed by a series of forums for clubs to share ideas and help each other.

The VGA also promotes golf to the public through events such as the Victorian Open Championship, through the feats of Victorian golfers who make news on state, national and international tournament circuits and through its website which attracts 1,300,000 hits per month.

Q. Melbourne memberships have fallen by only 2.6% in the past six years but the country club decline is 11.1%. VGA introduced Golfpass and in recent years has supported the Golf Access scheme for golfers to acquire golf handicaps without joining a club. Hasn't this caused a decline in memberships rather than helping clubs? One club in our District considered dropping affiliation in favour of becoming a Golf Access centre.

A. Golfpass finished in 2004 and, with a couple of minor exceptions, never operated outside of the metropolitan area. It had no impact on country golf membership but did provide a pool of golfers willing to pay green fees and entry fees for interested country clubs..

Golfpass was developed to provide a pathway to club membership, not an alternative. VGA conducted regular exit surveys with individuals who left Golfpass and found that 35-45% did so to join golf clubs. The number of golfers who left club memberships and joined Golfpass was very small. In such cases there was usually a direct reason for dropping club membership such as loss of employment, change of residential location or other personal issues. Golfpass helped to keep this group active within golf.

The total number of players in Golf Access in Victoria is less than 2000. They are almost totally Melbourne-based, pay \$99 to have an affiliate golf handicap and pay green fees to clubs every time they play. They represent an opportunity for country clubs, not a threat. Smart clubs use this opportunity, negative clubs miss out.

The suggestion that a club considered dropping VGA affiliation to become a Golf Access centre does not make financial sense. The cost per member would increase from \$11 to \$99 and the club would not be entitled to an Australian Course Rating so golf played on its course could not be used to provide or maintain handicaps for its members or for visitors. Its capacity to attract or retain members would be severely disadvantaged.

Q. Our District sometimes receives multiple mailings within a short space of time. Can't this unnecessary cost for postage be saved by email communication?

A. VGA tries to disseminate information it considers valuable to clubs and Districts in a timely manner. Occasionally this may result in mailings which are close together.

This could, of course, be replaced by email communications. VGA's current website upgrade is coupled with a significant addition of back-end functionality to enable high-powered electronic communications. VGA is conscious that the website-email revolution has been with us for only a decade in Australia and the reality is that some club and District officials are not yet online. To move to email-only communications will inflict cost and other burdens on some. For this reason VGA has retained hard-copy mailing but the Association would be delighted to shift solely to electronic communication and will agenda this matter for discussion at the next Country Workshop.