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Willoughby Legion Ex-Services Club Limited
ABN 35 000 248 117

12th February 2009

Gambling Inquiry Productivity Commission
GPO Box 1428
Canberra City ACT 2601

Re: Gambling Submission

Dear Commissioners,

Thank you for the opportunity to provide a submission for Willoughby Legion Ex- Services Club Ltd. The Club recently introduced *Club Willoughby* as a trading name to try and make the place more attractive for younger people.

Club Willoughby is located on the Lower North Shore of Sydney. The Club was formed in 1953 and obtained its liquor license in 1958 becoming a Registered Club. The Club moved into its current building in November 1969. This building was constructed next to the original Club House which still remains today. The Club is a Legion Ex- Service Club with 3000 members. Of that only 98 are Ex- Service members. The Club also has three bowling greens which are now just mowed to look presentable as no form of bowls exists at the Club anymore.

Facilities for the Club members include TAB, Keno, poker machines, bistro, function rooms, chef training school and bridge. In the immediate area of the Club there are three other larger clubs, two smaller sporting clubs and five hotels. Competition for patronage between all venues is tight.

Economic Contribution:

The Club is classed as a small to medium sized venue. The Club employs 18 staff. The break up of that are six full time staff, one part time and the remaining staff casual. Poker machines and gambling services account for 57% of the Club's revenue for 2007/08. The other forms of income come mainly from the bar and functions. The Club has 52 poker machines. The new taxing in theory would have had the Club paying more tax. However the impact of the non smoking laws has dramatically decreased the Club's income (poker machine profit is down 9.2%) and as a result the Club is paying less tax. This has had a negative impact throughout the Club.

Social Contribution:

Over the years the Club has supported the community in many various forms whether it would be cash contributions or in kind contributions. Some of the groups the Club has helped over the years are:

- Women's Social Club.
- State Emergency Service
- Raine & Horne Real Estate Community days.
- Willoughby Roos Rugby League Junior Football Club.
- Lane Cove Cricket Club.
- Chatswood Rangers Soccer Club.
- Chatswood Junior Rugby Club.
- St. Pius X College Chatswood School.
- Uniting Care Keenagers Day Care Centre.
- Chatswood Sheltered Industries.
- House with no Steps.
- Bill Walsh Cancer Research.

From that list there are so long associations which are still continuing today. The Club plays an important part in the community through this support. Most of the groups are sport development for children, elderly/ disabled care, health research, community services and students. These social contributions are decided with the local Council with other clubs in the area as well as the Club deciding to support. As there is a big decline in our poker machine trading the Club is finding it very difficult to continue the same level of financial support. As a result the Club's level of commitment is declining which is having an impact on the local community.

Responsible Gambling Commitment:

By law all Club staff have completed the Responsible Conduct of Gaming courses. The Club takes this issue very seriously with a couple of patrons been involved in the self exclusion scheme. The Club is a member of the Clubsafe Counselling Services and provides information and assistance to any patron seeking help in gambling related matters.

Poker machine revenue is very important for the growth and survival of Club Willoughby. However with the current trends the Club can not depend on gaming revenue alone and must look for alternative income streams.

The Future:

Before the economic hardships in the economy started with interest rates, petrol prices, the threat of recession, new taxing laws and non smoking in hospitality establishments, the Board of Directors have been looking at alternative income streams for the Club. This is primarily because the current building is old and tired and is well past it's used by date. And secondly, which is more relevant, the Club can not rely on poker machine income as a guarantee of financial survival.

The solution has taken well over three years to be decided on but the Club and its land will undergo a full redevelopment putting other assets on the site as alternative income streams and a new club. Keeping the same theme with our social and economic contributions the uses of the land will be community uses to continue the traditions of the Club as well as being financially secure for the next 30+ years. However, if this concept does not happen for whatever reason the survival of the Club looks very bleak and uncertain.

Once again I thank you for the opportunity to provide this submission.

Sincerely,

Trevor Gross
President