

Submission to the Australian
Government Productivity Commission

Regarding the

Public Inquiry into Gambling

Written by

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On behalf of

Pittwater RSL CLUB

February 2009

SUMMARY

This submission has been written in order to outline the financial position and prominent community role of Pittwater RSL Club.

Pittwater RSL Club (the Club) is part of the Returned and Services League of Australia, which acts as a support organization for men and women who have served or are serving in the Australian Defence Force.

In 2008 the Club experienced a 0.3% increase in total revenue. Poker machines were the Club's greatest source of revenue, accounting for 65% of total income.

Since 2007 the Club has experienced a 5.5% increase in total expenses. In this time the Club's Gaming Machine expenses have risen by approximately 1.3%

Despite the 0.3% increase in revenue, the Club's rising expenses caused a drop in profitability from \$3,300,898 to \$2,518,214 between the end of 2007 and the end of 2008.

The Club plays an important social role in the local community, providing comfortable facilities and a congenial meeting place for members and patrons, as well as sponsoring local surf life saving clubs and other sporting clubs. These services are mostly funded from poker machine revenue.

As part of its role in the local community, the Club directly contributes to a 24 hour problem gambling line. This is a volunteer service provided by Lifeline and would not be viable without the support provided by local Clubs.

GENERAL INFORMATION AND BACKGROUND

Pittwater RSL Club is situated on Mona Vale Road in the suburb of Mona Vale, on the Northern Beaches of Sydney in the Commonwealth Electoral Division of Mackellar (refer to attached map). The Club was established in 1958 when the local council donated an area of land in Huxley Street, Mona Vale to a group of returned soldiers. In 1960 the land was to be resumed by Council however the Harbord Diggers lent the fledgling club enough money to purchase the land. A liquor license was obtained and the Club began trading officially on December 8th 1961.

At present the Club is situated on 9 acres of land bordered by Mona Vale Road, Foley Street and Jubilee Avenue. The Club is looking to utilise this land to develop alternative income streams, as part of its projected growth strategy.

The 7km radius around the Club encompasses 14 suburbs and has a population of over 71,000 people. 90% of the Club's members reside within this 7km radius. The current membership, as of January 2009, is

The Northern Beaches is a middle to upper class area. Household and individual incomes are on average 5% higher than the Sydney Statistical Division (SSD). The average rental and mortgage repayments are also higher than the SSD. Families are very dominant in the area, with 20% of the population being under 15 years old. The Northern Beaches is also a popular area to retire to and almost one quarter of the residents are aged over 55.

FACILITIES AND SERVICES OFFERED

Facilities

Auditorium (capacity 400 standing)
Main Sail function room (capacity 130 seated)
Sports Bar
Brasserie Restaurant
Brasserie Terrace
Kid's Play Area
North Lounge
Sunset Lounge
Café
Gaming Terrace
Bowling Club
5 Bowling Greens (will be reduced to 3 after future extension to the car parking facilities)
Car Park (approx 360 spaces)

Services

Live Entertainment
Kids' Shows
Kids' Club
Cercle Dancing
Champagne Breakfast
Huge Raffles
Birthday Draw
Community Bus
Snooker
Pool
Darts
Poker Machines

Services Cont'd

TAB

Bowls

All Sports Channels shown throughout the Club on wide-screen TVs

Seafood Smorgasbord

Functions

Lucky Badge Draw

Keno

Bus Trips

Friday Carvery

Footy Tipping

ATMs

Great Promotions

Club Promotions & Services

Bingo is held daily in the Auditorium from Monday to Friday and is popular amongst our older members. We also hold meat raffles on Wednesday, Friday and Sunday nights. The Wednesday raffle is followed by a Trivia Competition and Friday's raffle includes our "Beat the Boss" competition and also our monthly Birthday Candle promotions – which give members a chance to win from a pool of \$2,500.

A Sportspick competition is run throughout the year for our sporting enthusiasts.

We also run promotions throughout the year which give our members the opportunity to win a variety of prizes, including holidays.

Number of Poker Machines

The Club currently operates 248 poker machines and has approval from the OLGR to install a further 20 machines.

Other gambling services

For the entertainment of our members we offer a Keno booth and a TAB outlet in the Sports Bar

ECONOMIC CONTRIBUTION TO THE COMMUNITY

Number of People Employed

The Club currently employs 157 people, in the following positions:

- 9 Senior Managers (including the CEO)
- 5 Supervisors
- 6 Managers & Assistants
- 6 Administration & Reception
- 131 full time, part time & casual general staff

The majority of our staff live locally on the Northern Beaches and we are a popular employer for university students who need to work part-time whilst studying. We are keen to support these young adults and do our best to be flexible with shifts during term breaks and when it is time to head back to Uni.

We are committed to assisting people with disabilities and currently have two staff working under the Government's Job Support scheme.

We also have a number of older staff who are semi-retired but have invaluable skills which we are glad for our organisation to benefit from.

Many of our permanent staff are loyal employees who have been with the Club for 8 years or more.

Training for Employees & Directors

Staff and Directors of the RSL are kept up to date with courses covering Responsible Service of Alcohol, Responsible Conduct of Gaming, Conferences, First Aid, Armed Robbery, Club Management Association courses, Barista training, etc.

A recent initiative has been to send 2 staff members on an NTIS recognised course so that the Club can become a registered training authority and conduct in-house courses for RCA's and RCG's.

We encourage Staff to cross-train in all areas of the Club's operations – gaming, bar, waiting & food service, reception and clearance. This training is provided in-house.

Total Revenue (excluding gaming revenue)

Total revenue (excluding gaming revenue) for 2008 was \$6,592,404.

Gaming Revenue

Gaming Revenue for 2008 was \$12,306,983.

Amount of Gaming Taxation Paid (incl GST)

The amount of gaming tax paid in 2008 was \$3,056,785.

Total Borrowings

The club did not borrow during the last financial year.

Financial Performance

Net profit before tax \$2,518,214

Planned Investment

The Club is proceeding with the next stage of its Global Plan over the next year with \$5,000,000 being spent on the construction of a new car park and terrace using the site of the old bowling greens.

Links to Tourism and other industries

With a view to broadening our business base and assist in promoting tourism in the local area, the Club has taken the following initiatives:

- A local travel agent, Pittwater Cruise & Travel Specialists, leases office space within the Club. Their client base is drawn from the local community, as well as Club members.
- The Club provides the services of a community bus for members and guests and the bus route includes local accommodation sites such as the Narrabeen Caravan Park, The Sands Hotel at Narrabeen and also the Newport Arms Hotel and the Newport Mirage.
- A staff member runs "Lynda's Bus Tour Groups", offering good value day trips for the enjoyment of members.
- Through the Pittwater Memorial Bowling Club, the top Club hosts quarterly bowling carnivals, which are always well attended (between 100-200 players), with teams from all over NSW. The Club is also proud to host visits from overseas clubs; in 2008 we hosted 30 players from CanAm bowls in Canada.

SOCIAL CONTRIBUTION TO THE COMMUNITY

Value of Community Support in the form of donations, cash and in-kind contributions and sponsorships

The CDSE Committee (Community Development Support Expenditure) for the Pittwater LGA is chaired by Bruce Smith, CEO of Pittwater RSL & includes representatives from DOCS, NCOSS and Pittwater Council. In 2008 over \$76,000 from the Club was distributed to successful applicants whose services would benefit the local area. Please refer to attached spreadsheet.

Approximately 30 Donations of Dinner Vouchers for the Pittwater RSL Brasserie, valued at \$45 each, are made on a yearly basis to local Kindergartens, health services, youth clubs, etc. for charity fund raising nights.

Cash donations have also been made throughout the year to many organisations, including the following:

- Narrabeen Youth Club
- Manly Warringah Taxi Golf Club
- Sydney Special Children's Christmas Party
- Children's Medical Research Institute
- Bayview Sea Scouts
- Australian Paralympics
- Suzie Boyd – donation for the MS Society
- Newport Public School – ESKIES Environmental Competition
- Newport Public School – Snow Sports Team
- Oasis Youth Support Network
- Barrenjoey Peninsula Golf Clubs – raising funds for Arranounbai School
- Dee Why RSL Pink Ribbon Breakfast – in support of Breast Cancer Research
- Collaroy Beach Services Club – in support of local bush fire brigades

Every ANZAC day the Club hosts a dawn ceremony, followed by a free breakfast for approximately 600, run by volunteers, including the local member for Pittwater, Rob Stokes.

The Club also supports Charities by promoting special events to members such as the World's Greatest Shave (Leukaemia Foundation) and selling products for special days such as World Retina Day, Cancer Council – Daffodil Day, Sids and Kids – Red Nose Day, Children's Medical Research Inst. – Jeans for Genes Day, Pink Ribbon Day, etc.

Northern Metropolitan Clubs in the Community

Pittwater RSL Club is a key member of the Northern Metropolitan Clubs in the Community, with our CEO holding the position of Chairman and our Senior Vice President is the representative for the Northern Zone. Each year charity days are held to raise money for nominated aid organisations. In the past these events have included 4 Ball Ambrose Golf Days, Barefoot Bowls Days & Trots Days. In 2008 \$16,000 was raised and distributed to:

Ku-ring-gai Youth Development Scheme
Father Chris Riley's "Youth Off the Streets"
NSW Volunteer Rescue Service
Daniel Clarke (cerebral palsy sufferer)

Previous years' recipients include:

Arranounbai School (a special needs school in Frenchs Forest) – 2007
Sydney Cancer Centre Foundation - 2007
Father Chris Riley's "Youth Off the Streets" - 2007
Starlight Children's Foundation – 2006 & 2005
NSW Wheelchair Sports Assoc. Inc. - 2006
Nick Weir (bladder extrophy sufferer)
Fiona Inglis (autism sufferer)
The Stuttering Foundation
The Royal North Shore Hospital

For more examples of in-kind contributions and sponsorships please refer below to Value of Sporting Contribution.

Value of Sporting Contribution

The Pittwater Memorial Bowling Club is a sub club which was first established in 1966. Membership of the Men's club is close to 200 and the Women's approximately 70. There are currently 3 greens in use every day of the week. With strong support from the top Club, the bowling club is aiming to be the best in NSW and continues to grow, in contrast to many club closures during the past 12 months.

In 2008 the Club supported local sporting clubs throughout the Peninsula with sponsorship amounting to approximately \$125,000. The organisations sponsored included three of the local surf life saving clubs and a diverse range of other sports including hockey, football, cricket, baseball, basketball, horse riding, AFL, rugby, dragon boats and more.

Sponsorship from the Club is provided in 2 ways:

- Financial assistance to help purchase supplies – e.g. uniforms, equipment, supplies, etc.
- In-Kind sponsorship by providing the use of the Club’s meeting rooms and facilities free of charge for committee meetings, fund raisers, AGMs, Presentation Nights, etc.

Please refer to the attached spreadsheet.

Number of volunteers mobilized through the Club and their area of activity

The Club provides many sub-club options which are offered to the community via the services of volunteers drawn from the Club’s staff, directors and members. These include:

Daycare (for elderly & isolated members of the community)
Fishing
Golf
Indoor bowls
Snooker
Men & Women’s bowling clubs

Each committee for the above activities is made up entirely of Club members who volunteer their talents and their time for their fellow members’ enjoyment.

The staff at the RSL also run a “Staff Charity” which holds events throughout the year to benefit organisations or individuals from the local community who are in need. These events are run by staff members from inception through to implementation and involve a significant amount of effort and free time from the volunteers. The following are some examples of Charity Nights over the past few years:

Year	Talent Quest, etc.	Beneficiary	Amount Raised
2005	“The Challenge”	Nick Weir & Nina Webster	\$13,000
2006	“The Challenge”	Nick Weir	\$9,900
2007	“Go Wild”	Nick Weir & Nina Webster	\$8,000
2008	“Charity Gambling Night”	Daniel Clarke	\$13,000

The Staff Charity committee also run an annual Charity Golf Day to raise funds for Warriewood SLSC.

Examples of Community Infrastructure and Facilities maintained by the Club

The Club maintains 3 x Bowling greens and facilities, a Club bus, 2 x Club function rooms (The Main Sail Room and Auditorium) which are provided free of charge to community organisations, i.e. schools, surf clubs, etc. and at a moderate cost to private individuals & organisations.

Examples of Services Provided by Club to the local Community

We offer Bingo (Monday to Friday), Daycare (every Thursday), we host the Narrabeen Probus clubs – both men & women – on a monthly basis and support Rotary's Christmas Carols by Candlelight.

For many years now the Club has hosted a Children's Xmas Picnic, which is run on a volunteer basis by Club Directors and staff members. This family day is tremendously popular and great for engendering community spirit.

Staff Welfare Fund

The Club maintains a staff welfare fund which enables a staff member who is suffering temporary hardship to request a loan, which is then paid back at an agreed rate.

Apart from donations to local schools, the Club also supports training initiatives such as the Northern Beaches Business Education Network Inc. Over the past 8 years we have supported their Structured Workplace Learning Programme which offers work placement for students who are doing their HSC.

We have supported Pittwater High School's application for a Trade Training Centre – they are seeking to establish a Hospitality Building – with offers of work placement, in-kind support, training and collaboration.

We have also indicated our support for an application made by Masada High School which would involve taking on students for apprenticeships in Hospitality and Food Processing.

The WG Taylor Village (nursing home) in Narrabeen has incorporated the club as an emergency evacuation site as part of their Disaster Emergency Plan.

Examples of Cooperation with local government in delivering local services and facilities

CDSE Committee – beneficiaries are decided through a consultative process with Pittwater Council and representatives from DOCS (Department of Community Services) and NCOSS (The Council of Social Services of NSW).

As a result of a safety initiative launched by the Club, following some serious accidents involving pedestrians, a new set of traffic lights has been installed at the corner of Mona Vale Road and Foley Street. Our approach to Council and the RTA was backed by local MP Rob Stokes.

RESPONSIBLE GAMBLING

Our Club is committed to upholding the Government's legislation regarding responsible gambling. Our gaming attendants all hold valid Responsible Conduct of Gaming certificates and we now have the resources to conduct RCG and RCA training on site.

Our gaming area has been carefully designed, with appropriate signage readily visible. The Club has two floors and we have 2 x ATM's which have been placed in positions that are remote from our poker machines.

Since 2007 Pittwater RSL has donated \$10,000 to Lifeline to fund a 24 hour problem gambling hotline. We also display flyers from Lifeline for a Support Group for problem gamblers.

We are a member of Club Safe, an initiative of Clubs SA which is run by an independent Board, an Executive Director and two Project Officers. Club Safe's objectives are to:

1. support the Club industry to identify problem gamblers
2. facilitate early access to gambling support services and
3. promote a closer working relationship between gaming venues and local gambling support services.

Club Safe also provides assistance in relation to compliance matters with the regulatory Responsible Gambling Codes of Practice, the Gaming Machines Act and the Liquor Licensing Act.