

31st March, 2009

Gambling Inquiry Productivity Commission
GPO Box 1428
Canberra City ACT 2601

Dear Commissioners,

Thank you for the opportunity to provide a submission to the Gambling Inquiry Productivity Commission.

Laurieton United Services Club is situated in the centre of Laurieton, on the mid-north coast of NSW, 400kms North of Sydney and 30kms South of Port Macquarie. The Laurieton United Services Club was originally built in 1953 and licensed in 1955. The idea to form the Club was borne from the spirit and comradeship that was evident in our servicemen and women during the Second World War.

The founding members' initial efforts to secure premises in 1953 were realised when a working bee travelled to Rollands Plains and demolished an old Union Church given to them by Hastings Council. This was the first timber used in the building of the Club.

Initially commissioned as an RSL (Returned and Services League of Australia) Club, the Sub Branch of the RSL transferred control to the Laurieton United Services Club Ltd, which was incorporated in December 1971. Some dramatic changes in appearance have occurred at the Club, particularly over the last decade. Major renovations were undertaken in 1986, 1991, 1997 and again in 2007 which greatly expanded the original clubhouse to the Club's current size.

The Club's reason for existence has not changed since the first day of operation in 1953. Our Club is here to provide a relaxing and congenial venue for the benefit of our members and their guests. We pride ourselves on the level of service we provide and we strive to be the number one venue for hospitality in this area.

The town of Laurieton is situated on the coastal fringe of the Camden Haven Valley which has a total population of approximately 12,000. Due to the mild climate, the small town atmosphere and the proximity to regional centres, the population of the area has grown substantially. Laurieton has a total population of approximately 6,460, with 52.8% over the age of 55. The number of people aged over 65 is 37.2% which has decreased from 38.2% over a 5 year period (ABS Census Data 2001).

Originally founded on the timber and fishing industries, the area has seen a dramatic shift in recent times to a popular tourist destination. In addition, the area has become a

haven for retirees with a number of retirement accommodation complexes being constructed in the last few years.

The Club has a Board of 9 Directors and a staff of 57. Total membership is now over 7,500 and covers a wide range of age groups but is predominately over 55 years. As a community based Club, we provide assistance in the form of cash donations and provision of a free venue for meetings to all local service organisations such as Rotary, Lions and Apex as well as locally based charitable organisations such as Red Cross, Riding for the Disabled, Meals on Wheels and Torchbearers for Legacy. The club also supports 16 affiliated sub-clubs including Lawn Bowls, Fishing Club, Travel Club, Bridge Club and Ladies and Men's Golf Clubs.

In addition to the regular amenities and entertainment options offered by the Club of dining, gaming, bar, live music, bingo 6 days, special functions and conference rooms, the club also contributes to the local tourist attractions by providing free mooring and launching facilities on our public wharf and boat ramp. This facility incorporates easy access for the disabled and is very popular with both local and visiting enthusiasts who enjoy fishing, boating and yachting. The Club also provides free bathroom facilities for the crews whilst moored at the wharf or in the river.

The Club has experienced significant profits in recent years, capitalizing on the reduction in debt and increased utilisation of club facilities by members. For the 2004 year the Club recorded a profit of \$745k and during the 2005 year profit increased to \$790k. However profit for the 2006 year has decreased to \$579k as a result of an increase in the level of overhead and promotional expenditure. This has enabled the Club to be in a strong position to enhance the existing facilities available to members and to address areas requiring significant capital expenditure. Cash surpluses over the last three years from operating activities have approximated \$1million per annum. This has led to a strong balance sheet and cash position that gives the club opportunity to embark on much needed improvements and enhancement to the premises. Profits in 2007 and 2008 were \$538K and \$213k respectively.

The commencement of a global recession in 2008 is concerning.

Renovations undertaken in Bar and Catering remain focused on delivering excellent service and building on our entertainment offerings to enable the Club to trade profitably and reduce debt, whilst dealing with increased depreciation and interest and managing cash flow.

The Indoor smoking ban decreased gaming net by a significant 8 – 10% for the first twelve months. Since then there has been improvement in gaming compared to 07/08, but sporadically compared to 08/09. Since the smoking ban, bar and catering sales have improved dramatically.

In 2008 the Club expressed interest in amalgamation with the Camden Haven Golf Club to ensure the Golf Club's future ownership remains local and that the Laurieton United Services Club complies with one of its main strategies (to maintain its status as number one club in the area) and also prevent the opportunity for an outside club to develop a larger club on the one hundred acre site.

FACILITIES OF THE CLUB

The Laurieton United Services Club is a medium sized Registered Club when compared to the industry and operates the following facilities:

Bar Services

The Club's bar facilities are operated by the Operations Manager, three Supervisors and 15 bar staff.

Casino Bar

- Services Poker Machine and TAB areas and the Club's main drinking lounge;
- Operates seven (7) days per week;
- Provides seating for 150 patrons;
- Designated smoking area along with the Poker Machine Lounge adjacent;
- Three (3) large plasma screens.
- Coffee / cake and sandwiches available.

Tarcoola Lounge

- Services the Auditorium area, which is multi purpose;
- Provides seating for 500 patrons;
- Operates when required according to functions.

Sports Bar

- Services the Sports Bar area, including the beer garden;
- Provides seating for 150 patrons.
- Home base for Camden Haven Cricket Club and Redbacks Soccer Club
- Private functions.

Function Bar

- Services the Anzac Room;
- Provides seating for 130 patrons;
- Bar service operates when required for major functions.

Restaurant Bar

- Provides seating for 100 patrons.
- Bar service operates when required for your functions.

Bistro

- Provides seating for 180 patrons;
- Operates during lunch and dinner times only.

TAB Bar

- Services TAB lounge.

Catering Services

The Club's catering facility offers great dining at an affordable price. This section of the Club is operated by the Head Chef, assisted by a Chef and four Cooks, an Apprentice, a Service Supervisor and ten Waitresses.

Bistro

Post renovations the Bistro came back with a new menu which has been seen great improvement in quality of meals and turnover. A second till was introduced to assist in busy times.

- Provides seating for 180 patrons;
- Price range varies from \$6.00 per serve at lunch, Monday – Sunday, to \$22.95 for a steak at dinner;
- Bar services available;
- Outside dining area;
- Incorporates a Restaurant.
- Two tills, Keno, Redipos, pagers and small child play area.
- Bistro annexe increased in size by 1/3.

Functions

- Full function menu available from 10 to 300 people.
- Weddings have increased at the Club due to renovations and the Club is capitalizing with increased turnover.

General

Poker Machines

- Offers 98 poker machines;
- Fully staffed Keno/Change dispensing facility;
- Four (4) poker machine promotions operating throughout the week;
- Poker Machine Lounge and Casino Bar, adjacent, designated smoking areas.
- Outside Gaming Room.
- Four (4) Links providing premium products.

Tarcoola Lounge

- Seating for up to 500 patrons;
- Utilised seven (7) days per week;
- Multipurpose portable stage;
- Kids play area including four play stations;
- Large dance floor;
- Comfortable seating with new chairs;
- Utilised for some sporting activities such as indoor bowls, darts, etc;
- Ability to split into two rooms with individual balconies.

Anzac Room

- Main Function Room;
- Provides seating for up to 130 patrons;
- Utilised one (1) day per week for RSL Sub-Branch;
- Often used for up to seven (7) days per week.

Sports Bar

- Multipurpose;
- Bar facilities operate Wednesday – Friday from 4:00pm – 7:00pm and when required for functions;
- Two (2) snooker tables, two (2) pool tables, dart boards, Keno, Sky Channel, small dance floor, beer garden, amusement machines, juke box;
- Provides seating for 150 patrons;
- Post renovations has proved very popular for private functions;
- Renewed covered outdoor BBQ area;

TAB Area

- Refurbished in 2007 including TAB feature with modernized flat screen T.V's. Spare kiosk and larger area.
- Full TAB facilities operated in conjunction with main bar service area.

EFTPOS

- Full ATM facilities available.
- Redipos and credit card service over the phone for ticket sales and Bistro sales.

Wharf

- Facility for visiting yacht crews including amenities.

Taxi Service

- Subsidised taxi service exists for Members and their guests. \$3.00 will get members to the Club and safely home again.

Laurieton United Services Club currently employs 57 staff (15 full time, 41 part time and 1 casual).

Poker machines and gambling services accounted for 70% of Laurieton United Services Club's revenue during 2008. Other forms of revenue generated from bar and restaurant services accounted for 30%. In 2008 our gaming tax was \$720 000.

For over fifty four years Laurieton United Services Club has played an integral role in sponsorship we support every sporting group in the Camden Haven from 330 Soccer players to 30 Bocce players including Camden Haven Dragon boat, Camden Haven Cricket Club, Camden Haven Darts, Camden Haven Junior Rugby, Camden Haven Ladies Golf, Camden Haven Redbacks Soccer, Camden Haven Surf Life Saving, Camden Haven Touch Football, Camden Haven Netball, Camden Haven Hockey, Laurieton Swimming, Laurieton Tennis, LUSC Bocce, LUSC Fishing, LUSC Indoor

Sports, LUSC Ladies Golf, LUSC Lawn Bowls, LUSC Men's Golf, LUSC Snooker, LUSC Euchre, LUSC Bridge and LUSC Thursday Social Golf.

We have 16 sub clubs that we support and offer many activities for the aged including, bingo, raffles, free music and entertainment. Other groups we support include Camden Haven Craft group, Camden Haven Day View, Camden Haven Embroidery group, Camden Haven Emergency Services, Camden Haven Evening View, Camden Haven Garden Club, Camden Haven Lantern Club, Camden Haven Laurel Club, Camden Haven Legacy, Camden Haven Legacy Widows, Camden Haven Lions, Camden Haven Meals on Wheels, Camden Haven Music Festival, Camden Haven Orchid Society, Camden Haven PAH&I Society, Camden Haven Pony Club, Camden Haven Probus, Camden Haven Quota, Camden Haven Red Cross, Camden Haven Respite Care, Camden Haven Rotary, Camden Haven Sea Rescue, Camden Haven Senior Citizens, CHACE, Hastings Country Music Assoc, Hastings Fine Arts Assoc, Laurieton Computer Group, Laurieton Marine Reserve, LUSC Chess, LUSC Quilters, LUSC Travel Club, Riding for the Disabled, Rotary Youth Leadership Awards, RSL Ladies Auxiliary, RSL Sub Branch and Torchbearers for Legacy.

Responsible Gambling commitment

Our club takes our commitment to the responsible provision of gambling services seriously. It is club policy that all staff who assist in the delivery of gaming services complete the Responsible Conduct of Gaming Certificate. We have an active Self Exclusion programme promoted heavily in the club.

Poker machine revenue is an important revenue stream that has allowed Laurieton United Services Club to grow and provide facilities in our community to use for over 16 sub club activities from Travel to Euchre. This revenue stream also makes us one of the largest employers in our community and support sporting and community activities across the community.

In 2008 Port Panthers came out publicly and stated that their funding to community groups was going to be reduced dramatically. This club does not want to reduce its contribution to our community. Whilst there is an alleged 2-3% of problem gamblers, it is entertainment for the majority of our patrons.

Please consider the very positive flow on effect that gaming has in our community. Please also consider the immediate tax benefit to the Government as well as the other flow on taxes provided by this business such as payroll tax, PAYG, land tax and GST.

Yours faithfully

Robert Dwyer
Secretary / Manager
Laurieton United Services Club

