

IN FAIR WORK COMMISSION

FWC Matter No: AM2014/305

Applicant: CLUBS AUSTRALIA INDUSTRIAL

AFFIDAVIT OF John Dellar

I, John Dellar of 44 Deighton Drive Rosebud Victoria 3939, Club Manager make oath affirm:

1. I am the Club Manager of Club Hawthorn Incorporated and have been in this position for almost four years. I have been employed as Secretary Manager, General Manager and CEO of Licensed clubs for more than 30 years. The most relevant qualification I hold to this industry is an advanced Diploma of Recreational Management (Sports). I was a council member of Clubs Victoria and its predecessor the Licensed Clubs Association of Victoria over a period of about 8 years. I sat on the Board of Golf Management Victoria and was a member of the Responsible Gambling Committee of the Mornington peninsula shire Council. The largest Club venue I operated comprised several bars, function rooms, a restaurant, Gaming Room with 53 EGM's, motel, golf courses and bowling greens.
2. Club Hawthorn has existed for more than 100 years in Hawthorn within the municipality of Boroondarra. The Club exists essentially for the sport of squash and to a lesser degree snooker. The club competes at State level, has many teams across all grades of men's ladies and veterans. The club also has a gaming room with forty gaming machines.

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Filed on behalf of:

Prepared by:

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3. The Club has ten employees and a turnover for the last full financial year of \$1,591,278. Gaming revenue accounted for \$1,207,416. Our employees are paid under the *Registered and Licensed Clubs Award*.
4. All of our squash courts are occupied for either competition or members practicing. We have a significant number of older members (Masters) who play for the friendship, social interaction and well-being. Some of these people are over 75 years of age. Gaming revenue essentially subsidises the cost of membership which would be out of reach for many of our members.
5. In the last financial year our wages bill was \$431,843.
6. Our current trading hours are: Monday-Thursday 10.00 am to 11.00pm, Friday and Saturday our trading hours are 10.00 am to 1.00am and on Sunday our hours are 12 midday to 9.00pm. On public holidays we are generally closed because it is uneconomic to open due to the excessive wage rates on those days.
7. An average of our daily revenue can be broken up as follows: Monday to Thursday total of \$12,500, Friday \$8000, Saturday \$5000 and Sunday \$1900.
8. Sundays are our slowest days of trade and the average revenue is substantially less than on other days. It is also the day we have much higher rates of pay for our staff. In essence it is very difficult to trade in profit of a Sunday.
9. Between Monday and Friday the club rosters two permanent staff per day over four days. The Manager works five week days. We also roster an average of four casuals per day mid-week. On Saturday we roster one permanent employee and three casuals and on Sunday we also engage one permanent employee and three casuals.



10. On public holidays the club is generally not open due to excessive burden on wage costs, but on the occasions that we do open, we roster only two casuals and operate over a shorter day with just one shift. As such, staff lose a shift.

11. Total hours during a typical week for the various categories of staff are:

Full time

Monday – Friday: 64 hours

Saturday: 8 hours

Sunday: 8 hours

Part Time

Monday – Friday: 34 Hours

Casuals

Monday – Friday: 110 hours

Saturday: 36 hours

Sunday: 30 Hours

12. Rostering is largely dependent on hours of availability given that most of our casuals are university students. Rostering occurs two weeks in advance. The casuals provide their available hours based on study requirements. This of course creates some difficulty if all casual employees have exams at the same time and want time off simultaneously. This is in fact not unusual because our Club is walking distance to Swinburne University. Additionally one permanent employee has a child in crèche which restrains our rostering to hours that allows the employee to meet drop off and pick up times at the child's centre.

13. As noted in paragraph 10 above, the club is generally closed on public holidays. As we have a gaming room we are required to have suitably licensed and trained staff to work in those areas. This means we cannot rely on volunteers to operate those areas on public holidays to save costs.

14. Historically, the club has lost money or at best broken even by trading on a public holiday. That said we do not close for the entire Easter period. It would alienate and/or confuse patrons being closed for so many days. As such we open on some days even though we expect to trade at a potential loss.
15. If there was a reduction in the current penalty rates structure to at least a 25%-50% reduction, I would expect our club would trade for longer hours on a Sunday and open for trade on most public holidays.
16. If a reduction in penalty rates occurred it would also be viable to employ additional staff on all days, not just weekends and public holidays. The flow on affect is that the reduction in total cost of the wage bill can be invested into more staff mid-week where currently the total wage cost is restraining the number of people actually required for good service.
17. I would anticipate an increase in total revenue as a knock on effect to lower penalty rates. The logic being increased trading hours, opening on additional days and offering increased and better levels of service will translate into new revenue.
18. The major factor taken into consideration in determining whether operational changes are required at the Club is declining revenue and or profit.
19. The penalty rate burdens that the Club currently experiences is also exasperated by the additional late and early work penalties under clause 29.4 of the Registered and Licensed Clubs Award. The additional penalties imposed from 7pm - midnight between Monday to Friday fall during our peak trading hours and the preferred hours of casuals at university. These are not unsociable hours in the hospitality sector, particularly given that this is when our employees want to work.



20. I also believe that having equality between Saturday and Sunday rates will stop employee arguments on who has preferred shifts and therefore improve workplace morale. It is an issue at our club and within the industry generally that Saturday employees generally work during the busiest day of the week yet receive a lower rate of pay than Sunday employees. This is particularly evident at sporting clubs and is unfair and illogical.

Sworn/Affirmed by the Deponent:

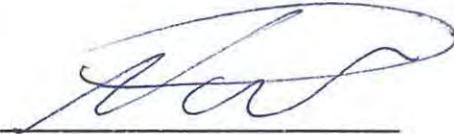


Declared at HAWTHORN

on 25/6/15

Before me:

Signature of Witness:



Name of Witness: NISHA RAIPATHI

Qualification of Witness: Solicitor or JP

NISHA RAIPATHI
B.A., LL.M. (Juris Doctor)
123 Church Street, Hawthorn 3122
an Australian Legal Practitioner
within the meaning of the
Legal Profession Act 2004 (Vic)

