

## RSL clubs face fight for future

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**Reporter: Matt Peacock**

**RSL clubs are already coping with the dwindling numbers of their ageing members but some now say they are now facing the threat of developers too.**

### Transcript

LEIGH SALES, PRESENTER: RSL clubs have been part of the fabric of Australian society for decades serving the needs of thousands of returned service men and women and their families. Now many are under threat. Declining membership and rising real estate prices are seeing clubs deciding to sell their valuable properties to developers. But as Matt Peacock reports, members and locals aren't giving up without a fight.

MATT PEACOCK, REPORTER: Friday night at Sydney's Malabar RSL club, and the regulars stand to remember their fallen comrades. But for this club the battleground is now the Supreme Court, and this time it's fight is against RSL headquarters which it accuses of kicking it out of his clubhouse to make way for developers.

BRETT GIBSON, MALABAR RSL CLUB: I really think it's a cash grab by the RSL. They've basically selling out the traditions and the memories of the people who have fought for this country for the developers' buck.

MATT PEACOCK: Malabar is not the only RSL club under threat. Recently in Sydney's eastern suburbs, five other clubs have closed down and their club sites put on the market by the RSL. In suburbs across the country, the

League is a major property owner.

JAMES BROWN, MILITARY RESEARCHER: You're talking serious sums of money. Certainly over \$1 billion in NSW alone in property held by RSL.

MATT PEACOCK: At the Malabar RSL club business is booming according to CEO Brett Gibson.

BRETT GIBSON: We're a totally viable business. We made money last year and the club's going well considering the situation we're working under. It's been built by the community, for the community. The community still has the money to keep it going so we should stay open.

JAMES BROWN: RSL clubs make up about 40 per cent of registered clubs in NSW. They control a significant proportion of the state's gaming revenue as well, so there are rivers of money flowing through these clubs.

MATT PEACOCK: But not all RSL clubs have been making money. Just up the coast at Bronte the RSL club closed its doors nearly a year ago. Sub-branch president Peter Holman says a shrinking membership couldn't pay the bills.

PETER HOLMAN, BRONTE RSL SUB-BRANCH: ...which just wasn't a viable proposition to maintain. As things dwindled we sort of had trouble making... planning to keep things going with the dwindling appeal, I guess you'd call it.

MATT PEACOCK: The RSL's agreed to sell the site developer Winston Langley Burlington, which plan to build a supermarket and high rise units here, along with a much smaller club provided council height and density restrictions for the site were lifted. WLB's director is baseball Olympian David Hynes.

DAVID HYNES, DIRECTOR, WINSTON LANGLEY BURLINGTON: We've come up with a scheme that puts the club back into the development proposal as long with a reasonable retail component that we believe will suit the community and meet the needs of the people who live in the Bronte area.

MATT PEACOCK: But the plan has sparked outrage in the local community, and last night the Waverley council bowed to popular pressure by, amongst other things, retaining the existing height limit. Save Bronte Village cofounder Stephen Lightfoot, who addressed the meeting, still remains concerned the development might go ahead.

STEPHEN LIGHTFOOT, SAVE BRONTE VILLAGE: The traffic associated with any high rise development, retail development at the RSL site, will cause traffic gridlock and rat runs will develop through our residential streets.

So mate, you can see here's the Clovelly Public School, a lot of children come here. The trucks are going to be coming down around that tight, blind corner...

MATT PEACOCK: The residents group believes the RSL is betraying the very community it's supposed to serve.

STEPHEN LIGHTFOOT: This is a deal they've done that's built on greed. It sells out the community. The RSL say they're an integral part of our community and they say they want to listen to us. But they're not listening to us, they're not listening to the community. They've sold us out, they've sold us out for money.

MATT PEACOCK: Peter Holman though has confidence in the developers' plans.

PETER HOLMAN: I believe David Hynes was four years developing Balmain Leagues Club, for instance - that's one of his high points.

MATT PEACOCK: The Balmain Leagues Club development, which has since stalled, was a major project for WBL. Despite strong opposition from local residents, in 2008 the company obtained approval from the local council.

Last year, the development was raised before a hearing of the Independent Commission Against Corruption, when the then-Planning Minister had been lobbied by Eddie Obeid to see a speedier progression of the project. Frank Sartor told the current ICAC inquiry investigating actions of Mr Obeid:

FRANK SARTOR, FMR NSW PLANNING MINISTER (voiceover): The only time I think he rang me was over the Tigers Football Club. "You've got to call it in, mate. We've got to get things done".

MATT PEACOCK: The ICAC inquiry will hear evidence from the long-time Obeid family accountant Sid Sissine in a few weeks. 7.30 has discovered from ASIC records that his firm is also listed as the registered office for WLB. David Hynes denies any connection with Eddie Obeid.

(to David Hynes) So you had no connection, for example, at the Roselle site where Frank Sartor said he'd been lobbied by Eddie Obeid?

DAVID HYNES: No, I've had nothing to do with that sort of thing, and again it's easy for people to draw conclusions from experience you've had in other projects, but that's certainly nothing I've had any involvement with at all.

MATT PEACOCK: And what connection, if any, do you have with the Obeid family then?

DAVID HYNES: None at all.

MATT PEACOCK: What about the fact that you share the accountancy firm; your registered office is the same vicinity as the Obeid family accountant?

DAVID HYNES: Again, that's nothing other than really a coincidence, to be honest with you. Yeah, nothing more to say about that.

MATT PEACOCK: David Hynes later told 7.30 that WLB's relationship with Sissine's company was terminated last week.

Within the RSL, just who owns its assets and where the money ends up when they're sold is hard to track. In NSW an RSL sub-branch is, by law, separate from the club, which is run as an independent business.

DON ROWE, STATE PRESIDENT, NSW RSL: We've got nothing to do with the clubs and if the clubs had gone under then it's the club's responsibility to survive, not ours.

MATT PEACOCK: James Brown's a veteran from Iraq and Afghanistan, a former army captain, now military historian who is studying this.

JAMES BROWN: It's different in every state. It's very confusing to work out exactly what governance structure there is when you walk into a club with RSL on the front of it.

MATT PEACOCK: In NSW when an RSL club fails, for state president Don Rowe the course is clear.

DON ROWE: There's no option for us but to put those properties on the market and the developers take it on, whoever takes them on, well, so be it.

MATT PEACOCK: Some years ago the Malabar club noticed it was no longer the sub-branch but a trustee company called RSL Custodians who owned its land. The state branch which runs the company says it helps sub-branches avoid legal cost, but CEO Brett Gibson complains its accounts aren't on the public record.

BRETT GIBSON: We haven't been able to find out anything. We know that the title of our building is under the RSL

Custodian. Our water rates come in under the RSL Custodian, our council rates come in under the RSL Custodian. We pay.

MATT PEACOCK: Over the past decade, 7.30 estimates in NSW alone more than \$40 million have flowed into sub-branch coffers from sales of club land - money the state branch ultimately controls.

DON ROWE: We're not giving our property away, as anybody would, you wouldn't give your house away, you wouldn't give your business away, that's for sure. But that gives us the opportunity then to continue to look after veterans and their dependents.

JAMES BROWN: They're ultimately meant to run as not for profit charities to support military veterans. It's not clear that they use that privileged position that they have to improve veterans to the best of their ability.

MATT PEACOCK: At Bronte, controversy over the RSL development is unlikely to go away. David Hynes still plans to press ahead.

DAVID HYNES: There's a number of options. You can lodge an application which complies with current controls. You can look at a planning proposal that opens... actually allows you to have a consideration of the controls for the joint regional planning panel.

STEPHEN LIGHTFOOT: And I say to the people out there in other suburbs, watch out because your RSL is going to be next.

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## Images



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