

McRod Hotel Group

Walsh's Hotel, Queanbeyan; Union Club Hotel, Wagga Wagga; Hotel Queanbeyan; Tourist Hotel, Queanbeyan; Duke of Wellington Hotel, Newcastle; Jerrabomberra Hotel; Queens Wharf Hotel, Newcastle.

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TO WHOM IT MAY CONCERN

I am writing to lodge a submission to the liquor law review of 10pm take-away liquor sales restriction and the periodic license fee scheme.

I am a partner in seven hotels situated in regional and country areas. Namely Newcastle, Queanbeyan and Wagga Wagga.

We employ in excess of 200 permanent and casual staff. We support many sporting teams, community organisations and charities in these areas. All of our hotels provide meals, drinks, entertainment and function facilities to these areas. All the hotels are managed by responsible people who are also partners in the business.

10pm take-away sales restrictions

This has had a major effect on the financial viability of our businesses. Four of our seven hotels have separate bottle shop which operate under the independent Bottle Mart banner. They could all previously provide take-away sale after 10pm and all hotels provided over the bar takeaway sales until midnight.

This two hour reduction in trading hours over seven hotels, six days a week over 52 weeks of the year has seen a significant reduction in our annual turnover of take-away sales. We have also experienced a reduction in bar sales, where patrons who would have a drink when picking up there take-away are no longer coming to the hotel after 10pm. As a result of this downturn we have reduced staff hours as the same number of staff are no longer required.

This two hour time frame also gave us a trading advantage over the major chain store liquor outlets that trade in our areas that normally don't trade after 10pm. It is becoming increasingly difficult to compete with these stores in regional and country areas with their buying power and pricing practices.

This restriction also causes significant inconvenience to patrons. The majority of people who want to purchase alcohol, in our areas, between 10pm and midnight are shift and hospitality workers whom are looking to make a purchase to take home after work. Also patrons that have been at our hotels having dinner and want to take a bottle of wine home with them can no longer do so after 10pm.

Periodic License Fee Scheme

Five of our seven hotels have extended trading hours and have been subject to loadings. In our instance the hotels with a 3am license never trade that late with most closing by 1am and only on Friday and Saturday nights. I am aware we could apply to have the trading hours reduced and make a saving on the loadings, however we are reluctant to make the change to the license as this has an intrinsic value to the hotel.

I would argue that our hotels are already low risk business models and have a strict compliance to the liquor laws. If anything, the imposition of these loadings will encourage us to introduce later trading in our hotels. I could see some justification in imposing loadings on venues that have a poor compliance record, but not on licensees that are doing the right thing.

The introduction of this scheme appears to be an additional tax raising exercise by the government with no consideration given to responsible operators. As an industry hotels are already very highly taxed and with this additional imposition makes it very difficult to maintain a viable business.

In conclusion, I ask that the review give consideration to recommending to the Government the abolition of the 10pm take-away sales restriction, and ending the period license fee for responsible venues.

Yours Sincerely,

John McRedmond

Partner

