

OUT16/14319

The Hon. Ian Callinan AC QC
C/O Secretariat
Liquor Law Review
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Dear Mr Callinan

Liquor Law Review

The Office of the NSW Small Business Commissioner (OSBC) is committed to supporting and improving the operating environment for small businesses throughout NSW. The role of the OSBC is to:

- provide dispute resolution services;
- deliver quality business advice through Small Biz Connect; and
- speak up for small business within government.

The OSBC works closely with small businesses and industry to identify regulatory requirements that place unnecessary burden or cost on small businesses across a wide range of sectors. This extends to acting as the NSW small business representative on a range of government agency consultations, reviews and reforms.

The OSBC is supportive of a vibrant night time economy that is safe and which offers a supportive environment for small businesses to flourish. The OSBC welcomes the establishment of a Night Time Economy Roundtable to feed into the review process.

Liquor Law Reforms

The OSBC acknowledges that the liquor law reforms were introduced by the Government in the Sydney CBD Entertainment and Kings Cross precincts in February 2014 as a means to minimise alcohol related violence following specific violent events that resulted in the injury or death of young people in Sydney in 2012 and 2013. The OSBC wishes to pay its respects to the family and loved ones of those who were tragically impacted by these violent events.

Impact of the Liquor Law Reforms on Small Businesses

1.30am lockout and 3am cease alcohol sales measures

The OSBC acknowledges that whilst some businesses have been adversely impacted by the reforms, not all businesses have been impacted in the same way. The OSBC continues to work closely with industry and Liquor and Gaming NSW to address the issues raised by small businesses and to help small businesses adapt to a new operating environment.

Small businesses seeking to optimise their business model following the regulatory changes have the opportunity to access the **Small Biz Connect advisory** program, which provides quality small business advice through an extensive network of mobile Small Biz Connect

advisors. Between 1 February 2014 and 29 February 2016, close to 4,000 hours of practical business support was provided to small business owners and operators in the 'Sydney Central' region, which includes the Sydney CBD and Kings Cross. In total, 1,575 local small businesses were supported by the Small Biz Connect Program, of which nine per cent were in the accommodation and food services sector.

Additionally, the Small Biz Bus, through which advisors provided tailored business advice, visited the Sydney Central region 15 times and will return to Kings Cross later in 2016. The OSBC notes the need for continued support for small businesses by Government.

There are anecdotal reports to suggest that the broader impacts of the reforms have been positive for some sectors both in and outside the precinct. Additionally, the number of new small bars in Sydney has more than doubled since the lockout laws were introduced.

The Government's *Easy to do Business* initiative has been designed to help speed up and make it easier for business owners to set up or expand their businesses. A digital 'how-to guide' is now available for the cafe, restaurants and small bars industry subsector, providing a single source of information for business owners. Business owners can access links to further information on agency websites from the one place, allowing for a more streamlined transactional experience with the NSW Government.

The OSBC recommends that the Government could commission a formal study into the impact of the reforms on businesses to fully understand the broader effects (including closures and establishment of new businesses) inside and outside of the lockout areas and to identify the range of opportunities for small businesses arising from the reforms and to facilitate the economic diversity which is closely aligned with a safer and more vibrant night time economy.

10pm Take-away Liquor Sales Restriction

The OSBC considers that a "one size fits all" approach to the 10pm take-away liquor sales restriction is not appropriate given that each community is different with its own diverse needs.

The OSBC has been advised that prior to the state-wide restriction, the vast majority of liquor store retailers did not typically trade beyond 10pm with the exception of specific times of the year to accommodate local community and special events, when many would extend trading hours by one to two hours depending on their specific circumstances and community need.

The OSBC is further advised that there are a small number of retailers located in the CBD or city fringe areas that traditionally traded past 10pm on a number of nights per week as their business model relied on the late night tourist economy, shift workers and the BYO restaurant trade. Since the state-wide restriction was introduced, some of these retailers have experienced a downturn in trade from 10-25% which has significantly impacted their business.

Given that the vast majority of retailers do not typically have a need to trade beyond 10pm on a regular basis, the OSBC suggests that rather than removing the restriction, retailers should have the opportunity to apply for an extended trading licence beyond 10pm if they meet specific requirements, such as community need. This is particularly important for regional communities. The industry would need to be closely consulted about the appropriate requirements and fees.

The OSBC will continue to follow the progress of the Review with a keen interest and welcomes the opportunity to participate in any further consultation to ensure that the needs of small businesses are represented.

Should you wish to discuss these comments in further detail, please contact Alyssa Stempniak, Senior Advocacy Advisor on [REDACTED] or

[REDACTED]

Yours sincerely

Robyn A. Hobbs

Robyn Hobbs OAM
Small Business Commissioner

1 April 2016.

