

2 September 2019

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Email: john@liquorlegends.com.au

Dear Sir/Madam,

Hotel & Tourism Management Pty Ltd (**HTM**) is pleased to provide this submission into the "Investigation into Proposed Christmas Eve Part-Day Public Holiday" on behalf of Queensland's retail liquor industry.

ABOUT HTM

HTM provides Marketing, Stock Control and Bookkeeping services to its members under its Trademark's Liquor Legends, Urban Cellars, Clubslink, Liquid Stock Control & Bookkeeping and Liquid Rewards. HTM has approximately 300 member outlets in six (6) states & territories including Queensland, New South Wales, Australian Capital Territory, Victoria, South Australia and Northern Territory.

Our National Support office is based in Queensland employing thirty-eight (38) staff. Seventy percent (70%) of our business is in Queensland and the majority are independently owned Hotels across all parts of the state.

EXECUTIVE SUMMARY & RECOMMENDATIONS

HTM does not support the proposal by the Government to implement a part-day public holiday on Christmas Eve. We firmly believe that the increased costs imposed on our members would have a severe negative impact.

Firstly and foremost, having regard to the most recent review into Queensland trading hours, conducted by former Labor State Minister Mr John Mickel, we see the implementation of a part public holiday after the Mickel Review "compromise" as a form of double dipping and contrary to the Government's granting of a five year moratorium on further changes to trading hours laws.

Further, should this proposal by the Government be legislated, HTM is strongly of the view that it would result in Hoteliers and Clubs doing one, or all, of the following as the only alternatives to bearing all the cost themselves:

1. Close for trade during the affected hours thereby inconveniencing consumers; and/or
2. Reduce staffing therefore negating opportunities for those who want to work, to earn additional income.

The acknowledged and accepted limitation of available and relevant statistical data on the intentions of employers and their likely response to the proposal, is a critical rationale for delaying any decision. HTM supports data and evidence backed policy making and urges the Government not to legislate on unproven emotive drivers.

None of the unintended consequences outlined above are desirable. A part-day Christmas Eve public holiday would only result in further costs to small business and does not guarantee extra money flowing through to the pockets of workers. We strongly urge the Government to reconsider this proposal and to maintain the status quo.

KEY ISSUES

Misleading retail and hospitality industries and double dipping

We draw the Government's attention to the most recent review into Queensland trading hours, conducted by former Labor State Minister Mr John Mickel.

In his report, released less than three years ago in December 2016, Mr Mickel specifically addressed the proposal of a Christmas Eve part-day public holiday. Having listened to the arguments from both unions and employer groups, he rejected the call for a public holiday from 6pm onwards on December 24. Instead, he argued that a 6pm close time was a "fair compromise" that allowed workers to go home at a reasonable hour while not inflicting added financial pressure on business.

We see the implementation of a part public holiday after the Mickel Review "compromise" as a form of double dipping and contrary to the Government's granting of a five year moratorium on further changes to trading hours laws.

Additional wages costs

The RIS states: 'The additional wages cost to the Queensland economy for that day is estimated to be in the range of \$41.3 million to an upper end estimate of 136.9 million.'

The Christmas trade period is one of both the busiest and most important times of the year for Retailers, Hotels and Clubs, Hotels and Clubs and already carries with it some of the highest wages costs for the year.

However, many Retailers, Hotels and Clubs, especially smaller operators, rely on a strong Christmas sales period to insulate themselves during quieter times of the year and/or during economic downturns.

Increased penalties on wages during the Christmas period, can have a material effect on the ongoing financial position of small Retailers, Hotels and Clubs. Moreover, this period of the year is already populated with numerous public holidays, therefore any further costs would act as a disincentive to business opening their doors for trade during hours they'd otherwise operate.

Job losses and reduction of hours

The greatest losses are borne by the workers themselves. The increased public holiday wages costs would force employers to re-think their rostering strategies during this period. The most at risk would be the casual staff who depend upon their shifts each week to survive. It is completely conceivable that staff would face a very real prospect of reduced hours during the Christmas trading period.

Loss of services on Public Holidays

When Retailers, Hotels and Clubs are faced with increased penalty rates for additional public holidays their only options are to:

- Close the business (on those days / times); or

- Reduce the trading hours of the business
- Trade normally and bear the additional costs

Public Holiday “surcharges” are simply not possible to create in a Retailers, Hotels and Clubs environment – least of all to cut in at an arbitrary period through the trading day. It is unheard of in any state or territory for alcohol prices to be increased in packaged outlets during public holidays – so the reality is the cost is entirely and totally born by the retailer. Accordingly, if companies cannot afford to open, they will simply cease trading at that time of the day.

The outcome is the community loses access to the services.

Inconsistent with the vast majority of Australia

The declaration of Christmas Eve as a part-day public holiday will make Queensland inconsistent with the public holiday arrangements in New South Wales, Victoria, Tasmania, Australian Capital Territory and Western Australia. The only states to observe this are South Australia and the Northern Territory – which in fact commence at 7pm not the proposed 6pm.

SIGNIFICANT ISSUES IN THE RIS

Insufficient statistical information to support the changes

There is little to no reliable evidence used to support the proposed changes, and this is best demonstrated by the fact that the RIS:

- states that ‘*there is no statistical information on the intentions of employers to employ workers or open their businesses on a Christmas Eve public holiday*’; and
- is based on 8 year old data from Adelaide for justification.

Any permanent legislation proposing part day public holidays should be delayed to enable gathering of evidence that is:

- (a) current;
- (b) jurisdictionally relevant; and
- (c) accurate,

so there is confidence that the cost to business and community is appropriately weighted against the likelihood of realising the intended policy objectives.

Insufficient timeframe for transition

The RIS states: ‘could be in place for 24 December 2019. It is considered that this timeframe will provide sufficient opportunity for businesses to prepare and potentially make decisions on whether to open or close’.

This is insufficient notice and shows a lack of understanding of the usual cycles of rostering of retail businesses.

If the part-day public holiday could potentially be passed as late as 28 November 201, which for a December 24 2019 commencement, does not allow sufficient time for rostering and voluntary opt in/out of employees.

Rosters are typically done at least 4-6 weeks in advance of this busy trading period and to ensure compliance with the Retail Award.

If the part-day public holiday were to be passed by this Government, a commencement should not occur any earlier than 2020, in which case further time could be taken to properly assess the proposal as per this submission.

CONCLUSION

There is no compelling evidence that Christmas Eve should be declared a part-day public holiday.

When Retailers, Hotels and Clubs are faced with increased penalty rates for additional public holidays their operational options are to:

- Close the business (on those days / times)
- Reduce the trading hours of the business
- Trade normally and bear the additional costs

Business owners, workers, consumers and the public all lose out and this is clearly shown in the reality in other states – importantly and critically including in relation to access to goods and services at a peak demand period in the year.

There is simply an insufficient fact base in which to properly justify the rationale for the part public holiday on Christmas eve and HTM and its members strongly urge the Government to reconsider this proposal and to maintain the status quo.

Should there be any points requiring further discussion or clarification, please contact HTM Managing Director John Carmody on 0419729 844 or at john@liquorlegends.com.au.

Sincerely
Hotel & Tourism Management Pty Ltd



John Carmody
Managing Director