



Boulia Hotel Operations Pty Ltd

Corner Burke & Herbert Streets
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 ABN: 15 168 420 719

7th May 2017

Acting Committee Secretary
 Legal Affairs and Community Safety Committee
 Parliament House
 George Street
 BRISBANE QLD 4000

Dear Sir or Madam,

RE: SUBMISSION – KAP LIQUOR (RURAL HOTELS CONCESSION) AMENDMENT BILL 2017

Please find this our letter of submission in regards to the KAP Liquor (Rural Hotels Concession) Amendment Bill 2017.

Firstly, I would like to briefly introduce myself, my name is Max Smith and I am the owner of the Australian Hotel Motel in Boulia, Outback QLD. I am writing to outline our solid support for the KAP's Liquor (Rural Hotels Concession) Amendment Bill 2017. Mr Katter is right in his assertion that pubs in smaller regional communities are the lifeblood of these centres and the recognition of this through a concession in the annual licence fee is a welcome initiative to assist us in maintaining our support of our local communities.

After growing up in the Bedourie Hotel and having spent a lot of my life in these remote areas living and running businesses, my first and foremost main focus is continuing to support and provide our ongoing services to our community. As a whole, I believe that being such a small close knit community the town needs and benefit's from having a Hotel/Motel, Restaurant and Cafe available not only to provide these services to our locals but also to the high volume of tourist that frequent our region each year.

The main associated running costs alone within our industry are made up heavily of the following expenses and I have listed our annual rounded costs in brackets for the last financial year, as follows:-

Services	Electricity [REDACTED]
	Gas [REDACTED]
	Telstra-Phone/Internet [REDACTED]
Insurances	Property Insurance [REDACTED]
	Public Liability [REDACTED]
	Workers Compensation [REDACTED]
Rates	Property & Fire Levy [REDACTED]
	Water [REDACTED]
	Sewerage [REDACTED]
	Rubbish Collection [REDACTED]
Licence/Dues/Fees	Liquor Licence Fees [REDACTED]

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After looking at the breakdown of the listed running costs, we are forced to pay annually approximately [REDACTED] before we even unlock our doors for trade. All these expenses are set at a high price or they (if not all) seem to be significantly increasing each year. Each year we pay the high costs of these expenses because they are part of our business and are obviously imperative for us to trade but being in such a remote area we are also limited with choice of suppliers for some of these expenses as there may be only one service provider for our area which therefore stops us from being able shop around for more competitively priced suppliers. This then leaves us with no other option but to pay these higher fees.

In remote areas, the expense of all our supplies whether it be food for the kitchen, cleaning products, supplies and alcohol also cost significantly more than city or regional areas solely due to the logistics/freight of all these goods. For another example of what businesses in remote areas have to face is we also get hit with the likes of hefty travel charges from suppliers such as Fire Safety companies (that are required by law for us to stay compliant) is to visit our venue for inspection and maintenance of all fire safety equipment etc. We pay the extra high expenses because we need all these items for operating and functioning of our business and therefore have no way around not paying excessive freight or travel costs in getting these to us to be able to trade.

I hear you ask "why do they live in these area's then?" Yes!, it is our choice to live in a remote area and we are aware that these expenses will be involved in running a business, however, as I mentioned earlier I am passionate about our remote town and it is important to me to be able to continue to provide the service I offer in this remote area to our locals, a lot of who are graziers, who also generate business back into our economy and also tourists that travel our country and frequent these small remote outback towns. We rely on tourists and without a good tourist season venues like mine in remote areas would not survive. We obviously pass a cost on to our customers for our higher expense costs but we also have to be realistic in the prices we charge to make it affordable for everyone to be able to enjoy the service we provide and still stay a viable business whilst doing so. Speaking out of context with this matter but as another example of how we are disadvantage in remote areas is we were wanting to provide our patrons with say a paid fight on Fox Sports, this fight was going to cost us \$900 to televise, we telephoned another Licenced venue in Mount Isa (our closest regional area which may I add is 300Km's to the North of us) and asked management if they could advise us with how much the same fight was going to cost them. That venue advised us that they too were paying \$900, how is it right that the likes of these companies can justify classing a small remote venue where they might have a maximum of 20 patrons as opposed to a large venue in a large regional area who could have 500+ people in their venue watching the same fight but yet we are forced to pay the same cost and barely, if that make enough to cover the cost of the fight alone. I fully understand that this example is not a necessity with the running costs of a hotel but why should we continually be classed in the same category as large regional venues when all we are wanting to do, as I said is provide our patrons the same enjoyment as anywhere else in the country. This stands for a lot of these expenses in that we are forced to be categorised the same as any large licenced venues even though we are not anywhere equal on the gross profits. I highly agree it's time for organisations to start looking into segregating remote areas from the large and charge accordingly with the disadvantages remote business owners face.

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Business owners in remote communities, speaking only within our industry, not only have to deal with today's economy issues but also have to deal with the effects of mother nature with drought and/or flooding and also relying on a bumper tourist seasons to survive. So, as a small privately owned business it is imperative that we look at all costs involved in purchasing absolutely everything for our business and take advantage of where, if and how we can cut our costs down to be able to stay afloat in these tough times, therefore this Amendment Bill 2017 for Rural Hotel Concessions has my full support.

May I also add it would be with great hope that upon finalisation of this Amendment Bill that you could possibly look into the high expense of insurances for remote Hotels like ours and possibly get rules in place that all remote Hotels not be put in one classification group and have it that all Hotels must be inspected individually by an assessor and insured on merit not classification. Something also needs to be done and put in place when it comes to government bodies for example:- Department of Main Roads, in that when attending these remote areas for upgrades that it should be a rule that these bodies are forced to utilise local business within that area that could highly benefit from their business instead of spending exorbitant amounts of money in bringing in their own camps and out of town businesses to service these camps, forcing not just us but all the other businesses in town as well to miss out on much needed business and trade. I also believe, that all other listed expenses should be looked into further and a discount/concession or reduction be awarded to the likes of businesses like ours to enable us to continue servicing our small remote towns.

Should you require any further confirmation please don't hesitate to contact me in writing or on my mobile [REDACTED]

Kind regards

Max Smith

Max Smith

Owner/Director

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