

MEDIA RELEASE

11 January 2012

HOSPITALITY JOBS LOST UNLESS REGULATORY BURDEN LIGHTENED

New statistics show that unless the ACT Government implements urgent reforms to reduce the cost of running a retail business in Canberra, many local cafes and restaurants will be forced to close their doors for good.

AHA ACT General Manager, Gwyn Rees, said findings released this week by the Australian Bureau of Statistics (ABS) reveal that in November 2011 the ACT recorded the highest fall in retail trade in the country.

“Only two jurisdictions experienced drops in retail trade in seasonally adjusted terms and the ACT had the highest fall of 1.9 per cent.

“The hospitality sector is definitely being impacted by this reduction in trade. According to the ABS, the turnover of restaurants, cafes and takeaway food services in Canberra was \$2 million less in November 2011 than in November 2010.

“The outcome of this is that we are seeing many businesses struggle to keep on staff. With trade falling, the ACT Government must step in to reduce the cost of doing business in this sector.

“Some of the most onerous financial and regulatory burdens that have recently been imposed on the hospitality sector include an increase in annual liquor licensing fees; preparation of risk assessment plans; outdoor licensing restrictions and fee increases; smoking management; and increased wage costs.

“The tourism and hospitality sector is responsible for employing about 13,000 Canberrans and if businesses continue to close, these people will lose their jobs.

“The ACT Government has in the past highlighted the success of the restaurant and café sector as evidence of the strong local retail sector. Steps must be taken to ensure it remains a key indicator and contributor to the strength of the ACT economy in the future.

“The AHA urges the ACT Government to work with it to identify viable options for regulatory reform to ensure we turn this trend around and continue to have a vibrant and growing hospitality sector.”

Media Enquiries:

Gwyn Rees – General Manager

6273 6633 or 0410 902 982