

27 October 2015

The Hon. Gladys Berejiklian MP
Treasurer and Minister for Industrial Relations
GPO Box 5341
SYDNEY NSW 2001

Dear Treasurer

Objection to Newcastle Show Holiday 4 March 2016

We write to you in regard to the recent resolution of the City of Newcastle to recommend the gazettal of Friday 4 March 2016 as a local public holiday for the Newcastle Local Government Area.

Our organisations are supportive of the Newcastle Show and its Association, but we cannot support any recommendation to gazette Friday 4 March 2016 (all or part thereof) as a local public holiday for the occasion of the Newcastle Show.

The costs involved are simply too great and will be incredibly damaging in the current economic climate.

Together, our organisations represent many thousands of businesses across the Hunter Region. We are very concerned that Newcastle Councillors have already resolved to recommend this day to you prior to undertaking a short period of consultation. In effect, this council has already made its decision and is subsequently now undertaking a short two week consultation period, the results of which they will apparently not be compelled to consider at a forthcoming meeting prior to sending you their request.

As you can tell, we object to the decision to recommend the gazettal of a local public holiday which was made at least a month prior to the consultation process commencing. In our view, it is only an acceptable process if genuine consultation occurs prior to making a decision.

In addition, we can find no evidence of a cost/benefit or impact analysis presented to Councillors for consideration. Nor is there any evidence that this day will be observed as a day of *'special significance to the community in the area'* as required by legislation.

No major metropolitan area in NSW is granted a local public holiday for any event or purpose.

We have noted that in 2015 only two full day local public holidays were gazetted in the state of New South Wales. Those townships are Gilgandra and Coonamble which have a population of 4,368 and 2,998 respectively (2011 Census). Newcastle has a population of 148,531 and Lake Macquarie has a population of 202,676 (2011 Census).

It should be noted that other Shows, such as Maitland (which also occur over a three day period, including the Friday) do not seek the gazettal of a local public holiday.

It is important to note that Newcastle Council staff as part of their enterprise agreement will still receive this day off. Based on our estimates this will cost Council itself between \$400,000 to just over \$500,000 depending on which business units remain open on that day and receive penalty rates.

There are around 88,170 people who work in the Newcastle LGA, of these more than 44,000 live in another local government area and travel to work in Newcastle. The disruptive flow on effects and loss of trade of this ill-conceived decision are serious.

We are also aware that the *Guidelines for Local Public Holidays and Local Event Days Applications* are under review and will be soon superseded. We understand that in August 2015, the Director of NSW Industrial Relations wrote to all councils in NSW advising them of proposed changes to the guidelines, inviting submissions and indicating that in the future when making an application for a local public holiday all councils must provide information that:

- indicates significant support for the application from local businesses and stakeholders;
- demonstrates the economic benefits to the local community in terms of employment; business activity, tourism and industry promotion of the region; and
- details the importance of the event from a social and community perspective.

We strongly feel that the process of consultation in this instance is inadequate in regard to the current guidelines and nor does it address the draft guideline criteria as outlined above.

We have also noted that the Council intends to seek your approval for this local public holiday to become the policy of Council on an ongoing basis for future years despite the legislation only providing the option for annual application.

The increasing casualisation of the work force, the changes to industrial relations environment, the climbing unemployment rate, the fragility of small business and the competition from online retail, means that workers in the hospitality and retails sectors are often the least well paid, the most precarious and the most affected by business decisions on a public holiday. For these workers (30% of the work force) a public holiday does not deliver a social benefit.

The argument that a local public holiday is good for business as it generates tourist visitation is completely flawed. If only Newcastle(or even Newcastle and Lake Macquarie) workers get the day off, then it will be those people who might be enticed to attend the Show.

It is highly unlikely that a family from Singleton, Sydney, Wyong or Nelson Bay is going to take the day off work and go to Newcastle and stay for the Show.

The reality is very different and anecdotally local pubs, hotels, motels and cafés report a drop in trade during the days the Show is held.

The challenge for the Show Association (in addition to the dismal weather they unfortunately regularly experience) is to provide an engaging, informative and valued event for a cross section of the community that makes it a 'must attend' event.

We support the revitalisation and longevity of the Newcastle Show and its Association, but not at the cost to the many thousands of businesses in this region.

We seek your favourable consideration of our request and look forward to your response.

Yours sincerely

Kristen Keegan Chief Executive Officer, Hunter Business Chamber

Adrian Price Regional Manager, Hunter, Central Coast & Northern NSW AIGroup

Peter Glover Director Construction Master Builders Association of NSW

Michael Sharp Chairman and Acting Chief Executive Officer, Hunternet

Edward Duc Chair, Newcastle NOW

Edward Crawford Chair, Hunter Chapter, Property Council of Australia

Matthew
Anderson Chairperson, Newcastle Tourism Industry Group

Ian Cowling President, Mayfield Business Association

Michael Strachan President, New Lambton Chamber of Commerce

Clare Monkley Throsby Basin Business Chamber

Nathan Errington President, Hamilton Chamber of Commerce

Les Binkin President, Warners Bay Chamber of Commerce

Narelle Redman President, Business Charlestown

Cc:

NSW Minister for Small Business, The Hon John Barilaro MP, Mr Tim Crakanthorp, MP Member for Newcastle, Cr Nuatali Nemes, Lord Mayor of Newcastle, Cr Jodie Harrison, Mayor of Lake Macquarie All Newcastle Councillors, Editor, Newcastle Herald

