

T.R Anderson Q.C
Government of South Australia
CBS Reforms
GPO Box 1719
Adelaide, SA 5001

Dear Mr. Anderson

Thank you for your letter of 18 December inviting a submission to your review of the Liquor Licensing Act 1997. Please note our interest in the matter and accept my apology for a late response to your request for a written submission. I hope you will be able to entertain this submission and to give it some consideration in the review of the liquor licensing regime for SA.

We welcome the review of the liquor licensing regime in SA and the vision to create a simple and modern liquor licensing system that reflects community expectations.

We agree that the review should focus on:

- * red tape reduction
- * a safer drinking culture
- * creating vibrancy and competition

Some of the improvements that we would like to see are as follows:

- Flexibility in the regulations to enable new retail formats to emerge and compete in the liquor market. The licensing authority should be granted requisite powers to enable this flexibility, as long as any proposal by an applicant for a liquor license is not a contrivance to circumvent the regulations
- Prescribed times within which the authorities (the relevant commissioner as well as the relevant courts), are required to make decisions in response to liquor licence applications, disputes and appeals. We have been in the process of obtaining a liquor license for nearly 2 years now and although the matter has progressed through various stages, we haven't got a final outcome yet. We opened and started trading (other than liquor) from the subject premises in November 2014 and are still awaiting a decision from the Supreme court on our appeal to the decision of the lower court.
- Who can object to liquor licence applications? All interested parties should have an opportunity to have their views heard but there should be some process to filter out those objections which are primarily motivated by a desire to limit competition in the liquor market. All contestants to our application for a liquor licence in SA are existing licence holders who, in our opinion, are trying to protect their business by limiting competition.
- The needs test in the current regulation needs to be reviewed. By design it limits competition, which contravenes the objective to create vibrancy and competition in the liquor market. As a company, we find ourselves in a strange situation where we buy and sell South Australian wines at our warehouse clubs in VIC, NSW and ACT, but can't do so in SA.

In summary, we are really eager to participate in the SA liquor market. We have a unique retail format through which we bring to market quality merchandise at low prices. Our experience in Australia to date tells us that there is a demand for alternative retailing concepts and we are humbled by the positive response that each of our warehouses have received in the Australian market. Our experience in SA reflects that too but we are prevented from participating in the liquor market in SA due to the contextual restrictions in the current licensing regulations. We are encouraged by the vision articulated in the Liquor licensing discussion paper and hope to see it come to fruition soon.

Once again, I apologise for the delay in my submission and hope you will find the above inputs useful in your deliberations.

Sincerely,

Nish Vithlani
CFO & Company Secretary

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