

Chris Raine
Hello Sunday Morning project

An opportunity for the ready

I never imagined how effective changing one little behaviour like drinking would be in putting someone through a process of major transformation. People often ask me about why I think young people binge drink. I think the answer to that question (and ultimately a solution to the 'problem') is bigger than just young people. It actually goes to the core as to why we all drink in the first place. In many cases, we entrust alcohol with the magical power of how we want to feel, who we want to be and what we want to get. Confidence, escaping, relaxation, freedom, attraction - these are all highly valuable human experiences that we often entrust alcohol with the power over. These are the priceless benefits that most of us perceive alcohol to bear.

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Hello Sunday Morning is here to say that this misplaced value in alcohol is all but an illusion. The choice to get these psycho-social payoffs from alcohol is an illusion. It is an illusion that is taught from generation to generation, it is an illusion that we pay for dearly on a national, community and personal level. It is an illusion that people on Hello Sunday Morning are ready to find ways to let go of.

Four months after my 12-month Hello Sunday Morning project, I can say that I have a very clear understanding of how I want alcohol in my life. I see it like any other commodity (chocolate, coffee or milkshakes). I drink if I enjoy the flavour or the experience it offers in a particular moment. However, I have an awareness around it that if I start to use it as a tool to change the way I feel, escape from the present moment or enable me to achieve a particular social end it has lost its healthy place in my life and I need to take right action to correct it.

So why should someone go without alcohol to learn how to have a better relationship with it? Hello Sunday Morning is something bigger than just alcohol. It's about a person's relationship with life. It's more of a rite of passage if anything. Alcohol shouldn't be at the centre of a person's choices, experiences and life. The fortunate opportunity about our heavy Australian drinking culture is that it is so entrenched in so many aspects of our lives. Choosing not to drink for an extended period often puts friends, family and work under conscious scrutiny in terms of who we want to actually be in relation to each of them. In a fascinating way, the strength of Hello Sunday Morning is vested in the strength of the culture it trying to change. Hello Sunday Morning just creates the space for the individual to make the choice.

Michael Quinn
Director
The Quinn Group

Superannuation versus Company Income Tax

The Henry Tax Review released at the beginning of May carried 138 recommendations. Among them were a number of recommendations that hold significant weight for the hospitality industry. The tax reform was released by the Treasurer Wayne Swan in response to the review addressed many of these, most notably the new regulations for superannuation and company income tax. The Henry Tax Review proposed, and the Federal Government passed on, an increase in the guaranteed superannuation contribution rate from nine per cent to 12 per cent over the next decade, with a three year lead time. This is a boon for 8.4 million Australian employees, and combined with the other superannuation reforms it is expected to stimulate \$85 billion to Australia's pool of superannuation savings. However, this reform represents a significant cost to employers; though it is intended that this cost should be partially offset by the staggered lowering of the Company Income Tax - which has been designated to fall to from 30 per cent to 28 per cent between 2013 and 2015. Ideally, these two measures will act as moderate counterweights, but their impact on the hospitality industry may be unequal.

As the hospitality industry is an industry populated by a large percentage of corporate entities with an annual turnover greater than \$2 million, they will chiefly miss out on the small business concessions - such as the \$5000 tax write-off - designed to compensate those feeling the pressure of the increased superannuation. In fact, these reforms may actually mean a reduction in profit margins, as wages and costs increase. Traditionally, the cost of employment has represented approximately a quarter of the cost structure for the hospitality industry, and with the superannuation reform this figure will only grow, potentially outstripping the benefits of the lowered company tax.

The tangible financial impact of the new reforms isn't necessarily predictable at this point in time, though hospitality industry associations have already voiced concern. The three-year lag time is designed to give businesses time to prepare in the interim by adjusting wage negotiations, or readjusting the cost structure. There are now multiple considerations that will need to be addressed by businesses - what the implications of the reforms will be, as well as how to implement any measures to keep profit margins safe or protected.

If you have any questions, or would like more information on how to address the new tax and superannuation reforms, please visit www.quinns.com.au and submit an online enquiry.

