

# Liquor (Artisan Liquor) Amendment Act 2021

Explanatory notes for SL 2021 No. 32

made under the

*Liquor (Artisan Liquor) Amendment Act 2021*

## General Outline

### Short title

Proclamation commencing the *Liquor (Artisan Liquor) Amendment Act 2021*.

### Authorising law

Section 2 of the *Liquor (Artisan Liquor) Amendment Act 2021*.

### Policy objectives and the reasons for them

The objective of the Proclamation is to fix 4 May 2021 as the commencement date for all provisions of the *Liquor (Artisan Liquor) Amendment Act 2021* (Amendment Act).

The Amendment Act amends the *Liquor Act 1992* (Liquor Act) to introduce a new “commercial other – artisan producer licence” for craft brewers and artisan distillers who meet independent ownership and production volume criteria.

An artisan producer licence will allow licensees to:

- sell craft beer or artisan spirits produced on the licensed premises for consumption at the venue, as takeaway (including via online orders), and as wholesale;
- sell other Queensland craft beer, artisan spirits and wine for on-premises consumption, up to 30% of yearly sales;
- apply for approval to sell samples and takeaways of their liquor (in limited amounts) at promotional events; and
- apply for a commercial public event permit to sell their liquor at a public event.

To ensure the licence is only available to genuine boutique producers, craft brewers must produce between 2,500 and five million litres of beer per year to be eligible for the licence, while artisan distillers must produce between 400 and 450,000 litres of spirits per year. The maximum limits include beer or spirits produced by any company which is related to the licensee (i.e. a holding company or subsidiary).

In addition, artisan producer licensees must not be 20% or more owned by a large brewer (producing more than 40 million litres of beer per year) or a large distiller (producing more than 2 million litres of spirits per year).

The Amendment Act also amends the authority of producer/wholesaler licences to allow craft brewers and artisan distillers who remain under that licence type to seek approval to sell samples and limited takeaways at promotional events. Currently only craft brewers can attend promotional events, and samples must be given away for free.

The Amendment Act amends the authority of a craft beer producer permit to allow permittees to sell samples at promotional events, and introduces an equivalent permit for artisan distillers. These permits will be available to craft brewers and artisan distillers who are licensed under a producer/wholesaler licence or artisan producer licence, or an equivalent interstate licence.

The Amendment Act also makes a number of changes to the regulatory framework in support of the new artisan producer licence and enhanced promotional events framework; and provides a range of transitional arrangements.

## **Achievement of policy objectives**

The policy objective is achieved by proclaiming 4 May 2021 as the commencement date of all provisions of the Amendment Act.

## **Consistency with policy objectives of authorising law**

The Proclamation is consistent with the policy objectives of the authorising law.

## **Inconsistency with policy objectives of other legislation**

The Proclamation is not inconsistent with the policy objectives of other legislation.

## **Benefits and costs of implementation**

The Proclamation will have the effect of making the artisan producer licence available to eligible craft brewers and artisan distillers. The benefits of the licence include unlimited takeaway sales of the licensee's own liquor, the ability to sell a range of other Queensland artisan liquor and wine for on-premises consumption, and the ability to take orders for the licensee's own liquor online.

The Proclamation will also commence changes to the promotional events framework under the Liquor Act. These amendments will benefit artisan distillers by allowing them to apply to attend promotional events, either by licence condition or permit, in line with craft brewers. Both artisan distillers and craft brewers will benefit from the ability to sell samples at promotional events, where previously samples were required to be given away for free.

The Office of Liquor and Gaming Regulation will incur costs in relation to updating systems, processes and training staff to accommodate the new licence type. These costs will be met from within existing budgetary allocations.

## **Consistency with fundamental legislative principles**

The Proclamation is consistent with fundamental legislative principles.

## **Consultation**

The Proclamation makes the artisan producer licence available as soon as possible following passage of the Act, consistent with the expectations of craft brewers and artisan distillers.

In accordance with *The Queensland Government Guide to Better Regulation*, the Office of Best Practice Regulation was not consulted in relation to the Proclamation. The Department of Justice and Attorney-General applied a self-assessable exclusion from undertaking further regulatory impact analysis (*category (g) – Regulatory proposals of a machinery nature*) as the Proclamation only operates to commence the provisions of the Amendment Act.