



Queensland

Liquor and Other Legislation Amendment Regulation (No. 1) 2008

Regulatory Impact Statement for SL 2008 No. 418

made under the

Gaming Machine Act 1991

Keno Act 1996

Land Act 1994

Liquor Act 1992

Prostitution Act 1999

Wagering Act 1998



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Submissions:

Written submissions on the Regulatory Impact Statement and draft Public Benefit Test including any quantitative information to assist the assessment of the impact of the proposals should be addressed to:

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An electronic copy should accompany printed submissions. Details of the feedback sought are provided in section 17 of this document.

*Submissions must be received no later than **13 March 2008.***

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1. Title

Liquor Act 1992
Liquor Regulation 2002



2. Introduction

Alcohol is widely available in Queensland and for the most part responsibly consumed. However, when alcohol is consumed irresponsibly and abuse and misuse occurs, very high costs are incurred by the Queensland community. These costs are not just financial. The sale and supply of liquor impacts on safety and amenity on a daily basis, and minimising these impacts will benefit both industry and community.

Regulation to minimise harm from the misuse or abuse of alcohol is contained in the *Liquor Act 1992* (the Liquor Act) and the *Liquor Regulation 2002* (the Liquor Regulation). A system of licences is used to ensure the sale and supply of liquor in Queensland is consistent with minimising the misuse and abuse of alcohol.

The Government has recently announced a range of policies, through the *Liquor Reform in Queensland* position paper, to reform Queensland's liquor legislation so that it reflects, and builds on, developments in national and international jurisdictions. Queensland's liquor legislation will now prioritise harm minimisation as the first object of the Liquor Act, include an expanded definition of liquor to help regulate a wider range of liquor products, introduce Risk Assessment Management Plans, and strengthen the role of harm minimisation in assessing the community impact of new licences.

Legislative changes will also create an offence for adults who supply large quantities of alcohol to unsupervised minors, allow the Government to enhance public safety by clarifying emergency closure powers on licences, and provide for the issuing of guidelines to assist licensees in interpreting their obligations under the Liquor Act. A proposed social marketing campaign will play a crucial role in informing and educating the community about responsible drinking. This campaign will emphasise the role that the community, especially patrons of licensed premises, parents and young people, all need to play in addressing the misuse and abuse of alcohol. It is vital that the entire community, not just liquor licensees, works to reduce the harms caused by alcohol misuse and abuse.

In addition, the proposals offered in this document include an overhaul of Queensland's current licensing system to allow for a streamlined system of licences and permits, industry innovation, and a reduction of red tape. Licences will be simpler and easier to administer, current short term permits will be replaced by annual licences, and new licence types such as small bars will be available. Options to introduce annual liquor licence renewal fees, based on the risk that each licence presents, will ensure licensees contribute appropriately to the direct, on-going costs of administering, managing and regulating liquor in the community.

It is also proposed to standardise trading hours across licence categories; ensure that licensees trading after midnight contribute accordingly to the cost of regulating this high-risk period; and restrict trading at times when the consumption of alcohol has become unnecessarily commonplace. Proposals to introduce mandatory training requirements, a manager's licence, liquor accord legislation, and a ministerial banning power, complete

a balanced approach that enshrines industry best-practice and ensures ongoing consideration of community safety and amenity.

These reforms further represent the outcomes of extensive consultation with industry since the introduction of the *Brisbane City Safety Action Plan* in March 2005. Responses have been analysed and considered, and a proactive framework has been developed which will prioritise harm minimisation and enhance industry growth to best meet the needs of the Queensland community. The reforms also address the outcomes and recommendations of the Youth Violence Taskforce, the Safe Youth Parties Taskforce, the State-wide Safety Action Plan, the *Queensland Drug Strategy 2006-2010*, and the *National Drug Strategy 2004-2009*.

This document has been prepared to satisfy the Queensland Government's obligations under the National Competition Policy (NCP) principles and to meet the requirements of the *Statutory Instruments Act 1992* (SI Act). In accordance with its obligations under NCP the Government has agreed not to restrict competition unless it can be shown that:

- the benefits of the restriction to the community as a whole outweigh the costs; and
- the objectives of the legislation can only be achieved by restricting competition.

Under the SI Act, if a proposed regulation is likely to impose appreciable costs on the community or part of the community, a Regulatory Impact Statement (RIS) must be prepared before the regulation is made.

The key objective of NCP and RIS requirements is to help ensure that reforms of a regulatory nature are implemented where it can be shown that such reforms are clearly in the interest of the community.

Accordingly, the purpose of this document is to explain to the community the goals of the proposed new requirements and to set out the benefits and costs that are anticipated to flow from their adoption, taking into consideration any potential restrictions on competition. In so doing, this document also invites feedback on its contents from stakeholders.

The Office of Fair Trading (OFT), as part of the Department of Justice and Attorney-General, is also publishing a RIS for public consultation on changes to the *Security Providers Regulation 1995*. In 2007 the *Security Providers Amendment Act* was passed by Parliament, and the RIS outlines the consequential regulatory changes required to coincide with the commencement of the new Act. The RIS also outlines three codes of practice which identify minimum behavioural standards for crowd controllers, security firms and security officers in licensed premises as well as fee increases. The document will be of interest to the liquor industry and providers of security personnel to the liquor industry. A copy of this document can be obtained from the website www.fairtrading.qld.gov.au or by contacting 13 13 04. The Security Providers Regulation RIS also has a 28 day consultation period which will commence at the same time as the consultation period for this document.



3. Background

3.1 Reasons for the reforms

The Queensland liquor industry is diverse and complex, comprising evolving sectors each with specific interests and demands. To help the industry to continue to experience growth and contribute to the Queensland economy, Government wants to ensure that the regulatory environment is conducive to growth and sustainable innovation. This regulatory environment must also meet community expectations and needs. Thorough consideration and priority must also be given to community safety and minimising harm arising from alcohol misuse. Thus, responsible regulation of the liquor industry forms an essential part in meeting these objectives.

On 1 March 2005 the Government released the *Brisbane City Safety Action Plan* (BCSAP) to address violence in and around licensed premises in the Brisbane Central Business District. One of the recommendations in the BSCAP included a review of the Liquor Act to ensure that it appropriately reflects current community attitudes including concerns of alcohol abuse and binge drinking. The recommendation also asked that the review consider how the nature of venues that serve alcohol has changed, recent changes in serving practices and the rapid growth of the tourism and hospitality industry. The Liquor Licensing Division (the Division) was responsible for conducting this review.

The review was the subject of significant consultation with the liquor and hospitality industry, tourism operators, health and welfare workers, the community and other interested stakeholders, as follows:

- A public discussion paper, *Review of the Liquor Act 1992* (review discussion paper), was released in April 2006, and attracted 110 written submissions. Public and targeted consultation workshops with community and industry were conducted across the State to inform the review.
- In February 2007, the former Minister for liquor licensing addressed a meeting of key liquor stakeholders on the progress of the review and reiterated the Government's determination to promote harm minimisation as the critical objective of liquor policy and legislation.
- Key industry stakeholders have been kept informed since the consultation proposals were released, through the Liquor Industry Consultative Forums, and specific Minister-stakeholder meetings.
- Two forums on the issue of secondary supply were held by the former Minister for liquor licensing on the Gold Coast, on 13 December 2006 and 10 August 2007, which included industry stakeholders and non-government organisations.

Accordingly, under the provisions of the Liquor Act licensees are required to consider the broader implications of their businesses and the possible impacts on the surrounding community. The responsible service of alcohol requirements in particular provide for the protection of both consumers and the liquor industry. They ensure that the sale and supply of alcohol is conducted in a responsible manner and that licensed establishments are safe environments for both patrons and staff. This responsibility is imperative in minimising harm arising from the misuse of liquor and in reducing the unacceptable consequences of alcohol abuse.

In addressing significant community based concerns over the operation of licensed premises, the approach taken by the Division has been to initially involve relevant parties in developing workable solutions. Licensees, local councils and police representatives, affected residents, transport operators, security agencies and other stakeholders have been encouraged by the Division to participate in the development of strategies to overcome specific alcohol related issues of concern in the community. Strategies for meeting this purpose include:

- the development of accords outlining a range of initiatives related to Liquor Act compliance;
- the development of mandatory Responsible Management of Licensed Venues (RMLV) training for licence applicants who have never held a liquor licence;
- development of Responsible Service of Alcohol training programs;
- collaboration with Indigenous communities to develop strategies to minimise harm and crime associated with excessive alcohol consumption; and
- the holding of Liquor Industry Consultative Forums.

Key to the regulation of the liquor industry are associated restrictions on the operation and conduct of business which must be enforced through Government compliance activity, including licence conditions, warning mechanisms and prosecution of breaches.

Licensing requirements prescribed by the Liquor Act are the primary means of securing legislative objectives. The legislation seeks to ensure that:

- only persons deemed to be “fit and proper” by the Chief Executive enter the industry to operate licensed premises;
- licensees possess basic levels of competency for the responsible management of licensed premises in compliance with the provisions of the Liquor Act; and
- industry participants conduct business in accordance with the legislation and community expectations.

The various licence types that may be granted under the Liquor Act are:

- General licence – the primary purpose of which is the sale of liquor for consumption on the premises or on and off the premises; secondary purpose is the provision of meals and accommodation (pubs and hotels).
- Residential licence – the primary purpose is the provision of accommodation (motels, resorts).
- On-premises licence – authorises the licensee to sell liquor in association with an activity (e.g. the provision of meals – restaurants; provision of entertainment – nightclubs; provision of sporting facilities – privately owned golf course). There are eight specific on-premises licence types (see Table 1).
- Producer/wholesaler licence – authorises the licensee the production and wholesale sale of liquor on the licensed premises.
- Club licence – the primary purpose of a club licence is the provision of facilities and services to the club's members and the achievement of the club's objects (e.g. cricket, football, services clubs).
- Special facility licence – the primary purpose of this type of licence is the provision of an activity, facility or presentation that provides enlightenment, entertainment or services to the public (e.g. Sanctuary Cove, Sea World).
- Limited licence – the purpose of a business conducted under this type of licence is the provision of an activity, matter or service (e.g. catering, cake shops, gift shops) to which the sale of liquor is a subsidiary aspect.

With the exception of a general licence, the sale and supply of liquor on premises for the other categories must be subsidiary to the primary purpose of the licence.

The main features of the current licensing system are:

- Licences are perpetual unless cancelled or surrendered. Applicants pay only an initial application fee as prescribed under the Liquor Regulation. An ongoing monitoring and enforcement function ensures duties, responsibilities and practices prescribed in the Liquor Regulation are observed and the costs of this are not recovered from licence holders;
- Licences can be transferred when a licensed premises is sold;
- There are a large number of administrative processes and amendments;
- The existing application fee schedule is generally indexed each year to the Consumer Price Index;
- Changes to licence conditions require approval of the Division. A range of fees apply for approvals which relate to a change in the licence conditions;
- Licensees continue to undertake mandatory and voluntary harm minimisation initiatives; and
- Government activities which directly respond to alcohol abuse and misuse are principally funded from general revenue rather than being recovered from licence holders.

The main outcomes under the current licensing system are:

- The cost to Government of regulating, preventing and responding to alcohol abuse and misuse are minimally recovered directly from licensees;
- Liquor licensing fees have a negligible impact on alcohol prices;
- Harm minimisation is achieved only through regulatory compliance and education;
- Most people consume alcohol responsibly. The costs incurred by Government relate to a minority of consumers;
- Consumption behaviour is influenced by State harm minimisation programs;
- Application processing times are dependant on an extensive array of variables;
- Licence categories are specific and can be problematic in licensing innovative businesses that do not fit a category;
- A thriving industry of liquor consultants and lawyers has emerged to cater for the liquor industry which finds the Liquor Act complex. This has created a greater financial impost on the industry, in conflict with the Government's red tape reduction principles; and
- The currency and accuracy of information about suppliers of alcohol depends on voluntary notifications from licence holders and compliance activities.

The Liquor Regulation 2002

In summary, the Liquor Regulation provides:

- details of the licensing scheme, including documents which must accompany applications and licence particulars;
- acceptable and unacceptable practices and promotions for the service, supply and promotion of liquor; and
- fees payable under the Liquor Act.

3.3 Liquor industry profile

The Queensland liquor industry comprises private individual operators, national companies, family companies, members of associations and various other organisations. As at 30 September 2007, there were 6627 liquor licences Queensland wide, as follows:

Table 1 Licence holders, Queensland (as at 30 September 2007)

		Premises licensed to trade between 12am and 5am		Premises licensed to trade between 7am and 10am	
Licence Type	Total number of licences	Number	Percentage	Number	Percentage
General	1354	930	69.0%	428	32%
Clubs	991	193	19.5%	511	52%
On-premises (meals)	2170	296	13.6%	332	15%
On-premises (tourist)	40	2	5%	6	15%
On-premises (cabaret)	123	120	97.5%	1	.8%
On-premises (presentations)	11	2	18.2%	0	
On-premises (functions)	47	5	10.6%	1	2%
On-premises (transport)	262	–	–	1	.4%
On-premises (food and beverage training)	29	–	–		
On-premises (other activity)	207	9	4.3%	27	13%
Residential	722	34	4.7%	31	4%
Special facility	175	55	31.4%	71	41%
Limited	333	50	15%	176	52%
Producer/wholesaler	163	–	–	3	18%
Totals	6627	1696		1588	

3.4 Alcohol consumption in Queensland

In 2004, there were 303 700 Queenslanders aged 14 years and over who drank daily (9.6 per cent), 1 281 200 who drank weekly (40.7 per cent), and 1 060 100 who drank less than weekly (33.7 per cent). Table 2 shows that most Queenslanders are moderate consumers of alcohol.

Table 2 Prevalence estimates for alcohol consumption for QLD population aged 14 years and over

Consumption frequency	Males	Females	Total
Daily	13.6%	5.8%	9.6%
Weekly	47.2%	34.4%	40.7%
Less than weekly	26.9%	40.3%	33.7%
Ex-drinker	6.0%	9.2%	7.6%
Never	6.3%	10.3%	8.4%

Source: AIHW. 2004 National Drug Strategy Household Survey: Selected Results for Queensland. September 2005.

Low-risk drinking does not necessarily interfere with a healthy lifestyle and has few implications for the rest of the community.^{1,2} Collins and Lapsley note for some medical conditions alcohol consumption at appropriate levels can reduce the risk of illness and health problems.³ Research has confirmed that alcohol consumption at low levels has a protective factor and there are health benefits for some people (Australian Alcohol Guidelines NHMRC). However, regular consumption of alcohol at high levels places people at risk of long-term harms such as chronic disease and premature death, and episodes of heavy drinking can result in injury, antisocial behaviour, road accidents and death. Most significantly, the abuse and misuse of alcohol results in substantial economic costs to the community. These costs result from productivity losses, absenteeism, road accidents, drug-attributable crime, hospital and ambulance costs, and premature death.

Table 3 shows that the majority of people who consume alcohol face a low risk of experiencing problems caused by alcohol consumption. Also, the percentage of alcohol consumers engaged in risky and high-risk consumption tends to decrease with age.

The majority of people who consume alcohol face a low risk of developing cancer, liver and heart disease, stroke, brain damage, and alcohol dependence. Young people are at greatest risk of harmful drinking patterns with research showing that more young people are drinking

¹ Cossen, S. (2006), 'Alcohol Taxation and Regulation in the European Union', *CESIFO Working Paper*, No. 1821, p.2.

² Horlings and Scoggins (2006) note that there is evidence to suggest that the apparent benefits of moderate drinkers relative to abstainers are largely due to measurement error. Horlings, E. and Scoggins, A. (2006), *An Ex Ante Assessment of the Economic Impacts of EU Alcohol Policies*, Rand Corporation, p. 8.

³ Collins, D.J. and Lapsley, H.M. (2002), 'Counting the cost: estimates of the social costs of drug abuse in Australia in 1998-99', *National Drug Strategy Monograph Series*, No.49, p. 7. There is not complete agreement on the beneficial effects of moderate alcohol consumption.

alcohol, drinking at an earlier age and drinking at increasingly higher levels. While most people drink at low-risk levels most of the time, people, particularly young people, engage in occasional heavy drinking episodes, also known as ‘binge drinking’, putting themselves at risk for short-term harms such as violence and injury.⁴

Table 3 Proportion of Queenslanders (14+) at risk of harm in the long-term

Age Group	Abstainers ^a	Low Risk ^b	Risky ^c	High Risk ^d
14-19	27.7%	59.5%	7.4%	5.4%
20-29	9.4%	73.4%	12.8%	4.4%
30-39	9.6%	78.8%	8.8%	2.8%
40-49	12.1%	76.5%	7.0%	4.3%
50-59	14.7%	74.6%	6.7%	4.0%
60+	25.6%	68.9%	3.4%	2.1%
Total	16.0%	72.8%	7.6%	3.7%

^a Not consumed alcohol in the last 12 months

^b Males up to 28 standard drinks, females up to 14 standard drinks per week

^c Males up to 29-42 standard drinks, females up to 15-28 standard drinks per week

^d Males up to 43+ standard drinks, females up to 29+ standard drinks per week

Source: AIHW. 2004 National Drug Strategy Household Survey: Selected Results for Queensland. September 2005.

Even though most Queenslanders consume alcohol at low-risk levels, the economic costs of alcohol consumption are high. Economic costs can be defined as the value of net resources which are unavailable to the community for consumption or investment in a given year as a result of past or present alcohol consumption.⁵

Economic costs are often categorised as either tangible costs or intangible costs. Tangible costs include expenditure by government agencies such as police, health, courts and emergency services on preventing and responding to alcohol abuse and misuse as well as productivity losses (absenteeism, unemployment, mortality). Intangible costs represent the costs of pain, suffering and lost life caused by alcohol. They measure the dollar value for psychological effects from alcohol abuse and misuse.⁶

The estimated economic costs of alcohol abuse in Australia were \$7.6 billion in 1998-99.⁷ Assuming these costs occur in proportion to Queensland’s share of the national population, the economic costs in Queensland would have been \$1.4 billion, or \$1.825 billion in today’s dollars.⁸

⁴ National Health and Medical Research Council (NHMRC) (2001). Australian Alcohol Guidelines: Health Risks and Benefits. NHRMC, Canberra.

⁵ Collins and Lapsley, *ibid*.

⁶ Intangible costs are difficult to value because there is no market which establishes a value for psychological effects. In essence intangible cost estimates seek to measure the willingness of a person to avoid pain and suffering and premature death.

⁷ Collins and Lapsley, *ibid*.

⁸ These costs include tangible costs and intangible costs. Tangible costs are subdivided into direct costs (police, health, courts etc) and productivity losses (absenteeism, unemployment, mortality). Intangible costs represent the value people place on pain and suffering and lost life caused by alcohol.



4. *Proposed course of action*

In accordance with the outcomes of the Liquor Act review, the Youth Violence Taskforce, the Safe Youth Parties Taskforce, the State-wide Safety Action Plan, the *Queensland Drug Strategy 2006-2010*, and the *National Drug Strategy 2004-2009*, it is proposed that amendments be made to the Liquor Act and Liquor Regulation which will have the effect of minimising the harm associated with the sale and supply of alcohol and in the long term reduce the complexity and quantity of Government processes.

The machinery-of-Government changes in October 2007, which resulted in locating the Liquor Licensing Division within the Treasury portfolio, also provides opportunities to streamline liquor and gaming licensing processes and reduce red tape with the Queensland Office of Gaming Regulation. There are commonalities within each area including licence processing, investigations, policy and legislative development and harm minimisation programs. Additionally, liquor and gaming share the same peak industry groups in much of their interaction.

The processes of both liquor and gaming are similar in nature, dealing with the same client group – predominantly hotels and clubs – with these businesses requiring a liquor licence prior to a gaming licence. The package of reforms proposed for the liquor industry will include amendments to align the core requirements of the liquor public interest assessment with the gaming community impact statement to enable applicants to address both processes with substantially the same material. Consequently, where applicants for a licence under the Liquor Act are also an applicant for a licence under the *Gaming Machine Act 1991*, one community impact statement addressing the requirements under both Acts may be provided to the Chief Executive.

An inter-office working group has been identifying further opportunities to streamline the administrative processes where synergies exist between the agencies. The liquor and gaming databases will be integrated so as to provide a single tool for licensing, and monitoring compliance and associated industry trends. This will reduce overlap and duplication and assist in red tape reduction. In implementation planning for the liquor amendments, the working group will continue to focus on the potential to streamline administrative processes.

The proposals

The proposals offered in this document include a restructure of the current licensing system to a more streamlined system of licences and permits. Licences will be simpler and easier to administer, red tape will be reduced as current short term permits will be replaced by annual licences, and innovative licence types such as small bars will be available. The reintroduction of annual liquor licence renewal fees, based on the risk that each licence presents, will ensure licensees contribute appropriately to the on-going costs of their administration and regulation.

It is also proposed to standardise trading hours across licence categories; ensure that licensees trading after midnight contribute accordingly to the cost of regulating this high-risk period; and restrict trading at times when the consumption of alcohol is perceived as unnecessarily available. A Ministerial banning power would minimise the social harm that results from the misuse of products which specifically target and encourage the consumption of liquor by minors, or products which encourage the rapid or excessive consumption of liquor. A proposal to introduce mandatory training requirements will greatly enhance professionalism across the industry. Finally, Queensland's liquor accords will become part of the Liquor Act, in recognition of the efforts that licensees and communities currently make to reduce alcohol-related harm.

Details of the proposals are as follows:

4.1 Ministerial banning power

The Government made a commitment in *Finding the Balance: Queensland Alcohol Action Plan 2003/2004 to 2006/2007* to review a proposal for the Minister to ban certain irresponsible liquor products not in the public interest for up to three years.

The banning power would be introduced to minimise the social harm that results from the misuse of products which specifically target and encourage the consumption of liquor by minors, or products which encourage the rapid or excessive consumption of liquor. This would include products packaged in a way that does not allow the consumer to recognise the impact of the beverage (such as the number of standard drinks contained per drink).

Rationale for ministerial banning power

All states except Queensland and Tasmania currently have specific measures available to ban undesirable liquor products.

In Victoria, a regulation can be made on the Minister's recommendation prohibiting the supply of any class of liquor. The Minister may only make a recommendation if satisfied it is in the interest of the community to do so.

In New South Wales (NSW), a regulation may declare a specified liquor product or class of liquor product to be undesirable, as an interim or permanent measure. It is then an offence to sell or supply this product on licensed premises. The Minister must be of the opinion that the designs, names, motifs or characters on packaging are indecent, offensive, or that products are likely to be confused with soft drinks or confectionery and are therefore likely to have special appeal to minors.

The overwhelming majority of submissions to the review discussion paper indicated that products containing alcohol should not be packaged, named or marketed in a way that appeals specifically to minors and also agreed that products such as alcoholic iceblocks, alcoholic milk, alcohol vapour, and alcoholic products sold in aerosol containers were undesirable because of their appeal to young people and their ability to increase intoxication in a very short timeframe.

This power is aligned with harm minimisation as the first object of the Liquor Act, as outlined in the Government's *Liquor Reform in Queensland* position paper released on 2 December 2007. To effectively minimise harm, the Minister requires the authority to ban alcohol products which target minors and can be easily misused and abused. The banning power will enable the Minister to respond swiftly when an alcohol product is released.

The proposed banning power regarding undesirable alcohol products is based on the same principle as section 85 of the *Fair Trading Act 1989*. Section 85 authorises the Minister for fair trading to prohibit the supply of goods and services they consider likely to cause the death of a person or adversely affect the health and well being of a person, or place conditions or restrictions on their sale and supply.

This banning power will send a clear message to the liquor industry and community that the Queensland Government is determined to minimise the harm caused by alcohol and will take the appropriate action to do so.

As the liquor industry may not adopt a uniform approach in its decision to withdraw a product due to its profit-making potential, it is appropriate the Government is empowered to take such action.

4.2 Mandatory RSA and RMLV training

Currently, the Liquor Act specifies Responsible Service of Alcohol (RSA) training as mandatory for all staff involved in the sale or supply of liquor, who work in the Brisbane City Council area in premises licensed to trade after 1am. The Liquor Act also specifies that Responsible Management of Licensed Venues (RMLV) training is mandatory for new licensees or nominees, or those returning to the industry after a long period of absence, and for those licensees/nominees who change the type of licensed premises they run within three years of completing the course.

An amendment will make RSA training mandatory for all staff involved in the sale or supply of liquor in licensed premises state-wide, including for bartenders, glass collectors, floor hostesses, security providers, room service staff and bottle shop staff. RMLV training will become mandatory for all licensees, nominees and managers and will need to be renewed every three years.

Rationale for mandatory RSA and RMLV training

Mandatory RSA training was considered as part of the *State-wide Safety Action Plan* (SSAP) announced by the former Premier and former Minister for liquor licensing on 10 April 2006 in response to concern about alcohol-related violence and disorder around licensed premises. The SSAP is based on the BCSAP which was designed to improve patron and public safety in Brisbane's entertainment precincts.

Under the BCSAP, all staff in licensed premises operating after 1am in the Brisbane City Council area must complete RSA training. This includes hosts, security, glass collectors, managers and serving staff. RSA training is considered industry standard and best practice

to minimise risk on licensed premises. It is mandatory in other states in Australia including NSW, Western Australia (WA) and Tasmania, and for licensees and late night and bottle shop staff in Victoria.

The objective is to increase staff knowledge and awareness of responsible server practices, including how staff can identify problems and respond accordingly. Trained staff will be able to employ a variety of techniques to prevent intoxication, including observing patrons to recognise signs of undue intoxication; promoting non-alcoholic and low alcohol drinks; and adjusting service as necessary.

International research findings show that changes in server training and sales practices training can produce significant differences in blood alcohol levels of patrons leaving licensed premises.⁹ The findings clearly indicate that establishments with staff trained in responsible service of alcohol are more likely to facilitate responsible level of alcohol consumption.

Recent Australian research pointed out the need to enforce responsible server practices.¹⁰ It was argued that server training should be mandatory and that licensing laws must be routinely enforced if the goals of responsible service are to be met.

Industry associations recognise the need for a training course for licensees, nominees and managers of licensed venues and have supported the development and implementation of the RMLV training course.

This course is specifically designed to focus on management issues. It provides an overview of the Liquor Act as it applies to licensees and nominees.

WA has an equivalent RMLV course for nominees, NSW has a mandatory course for licensees, and Victoria has a First Step training program for nominees. The remaining states insist only on RSA for nominees.

The licensee and nominee are required under the Liquor Act to operate their business within a broad community context according to the principles of harm minimisation and risk management. This means that the business must be managed in a socially responsible manner and that strategies are put in place which will promote responsible consumption of alcohol and provide a safe environment both in and around the licensed venue.

The RMLV training course aims to:

- inform licensees, nominees and managers of their responsibilities;
- increase professionalism in management standards;

⁹ Edwards G, et al, (1994) Alcohol and the Public Good. Oxford University Press, p139.

¹⁰ Lawlink, Crime Prevention Division (2001) Preventing Violence: prevention programs. http://www.lawlink.nsw.gov.au/cpd.nsf/pages/violrep_1prevention

- provide a range of management strategies to assist in the responsible operation of a licensed venue; and
- encourage licensees, nominees and managers to use risk management and self-audit processes to responsibly operate a licensed venue.

The RMLV course plays an important role in reducing alcohol related harm in the community and supports the SSAP. Participants in the course develop an understanding of their role in the sale and supply of alcohol and the impact it has in the community.

To ensure responsible service of alcohol is employed by all staff, best practices must be adopted and shown firstly by management. Currently, RMLV training is mandatory for new licensees and nominees; those applying for a different type of licence or to people who previously held this position, but have been absent for a period. To extend this practice further it would be necessary for all untrained licensees and nominees across Queensland to be trained according to one standard which develops consistency in the industry.

The Government is also exploring the option to introduce similar provisions for gaming. For many people, gambling is an enjoyable leisure and entertainment activity. For some, however, gambling can have negative impacts. In the long term, benefits to the gambling industry can be enhanced and safeguarded only by minimising harm to consumers and the broader community. Currently, gaming sites commit to a voluntary Queensland Responsible Gambling Code of Practice (Code of Practice) which encourages responsible gaming behaviour.

The Code of Practice was developed by the Responsible Gambling Advisory Committee (RGAC) and has been very successful with on average 81 per cent across all industry groups indicating their commitment to the Code. Representing a voluntary commitment by all gambling operators, the Code of Practice and the Queensland Responsible Gambling Resource Manual supports and progresses the aims and objectives of the Queensland Responsible Gambling Strategy developed by the Queensland Government. The Code of Practice is currently under review and feedback from this consultation process will be used in the review process.

Responsible Service of Gaming (RSG) training is one of the practices under the Code of Practice which is currently under review. To this end, there is the possibility of introducing mandatory RSG for gaming employees with direct responsibility for gaming and other such staff as client liaison officers.

4.3 Standard trading hours

The Liquor Act establishes standard trading hours for licensed premises, which are 10am to 12am, or up to 3am for cabaret licences. However, licensees are able to apply for permits to trade up to 5am, from 5am-7am (granted only on one-off occasions such as major sporting events), and 7am-10am. Dependant on how often and why this trading is necessary, the application may be for a one-off event, 12 month renewal or indefinitely. The Liquor Act also makes specific provision for trading on culturally sensitive days (Anzac Day, Good Friday and Christmas Day).

Research indicates the highest risk period to community health, safety and amenity is trading between 12am-5am. To minimise harm and address the correlation between harmful behaviours and the availability of alcohol, it is proposed 'high risk' permits (as an endorsement on a licence) be required for trading between 12am-3am, and 'elevated risk' permits (as an endorsement on a licence) be required for trading between 3am-5am.

One-off permits for trading during these periods will also be available. However, trading between 5am-7am will no longer be possible.

Rationale for standard trading hours

With harm minimisation as the first objective of the Liquor Act, there is a question as to what trading hours will best satisfy this objective while providing suitable trading times for the industry.

NSW has standard trading hours from 5am-12am, six days a week. It also has the option of granting extended hours trading to 5am, effectively allowing 24-hour trading to approved premises.

The WA Government conducted a review of their *Liquor Licensing Act 1988* in 2005. That review concluded that there was little justification to treat Sunday any differently to the other days of the week and recommended extended trading hours for pubs and nightclubs on Sunday nights. However, the WA Government is of the view that the negative implications for that state of extending Sunday night trading outweigh any positives and has decided not to implement this recommendation. A table showing a comparison of trading hours across Australian jurisdictions is included at Appendix 1.

Of the 6627 liquor licences issued in Queensland (as at 30 September 2007), only 160 (or two per cent of licences) have been granted permits to trade beyond 3am, 14 of which are only permitted to trade until 4am. Not all of the licensees utilise this authority to trade beyond 3am at all times. There is considerable variance in the closing times of these traders throughout the week depending on a range of factors such as the location, number of patrons on the premises, season, weather and special events. Table 4 shows, by region, the number of premises permitted to operate past 3am.

Table 4 Premises trading past 3am

Region	Closing at 5am	Closing at 4am	Lockout time
Brisbane - CBD	25	1	3am
Brisbane – Fortitude Valley	33	1	3am
Brisbane – Caxton Street	7	0	3am
Brisbane – Non Central	11	4	3am
Southport – Gold Coast	28	0	3am
Townsville - North	13	0	3am
Cairns – Far North	12	0	3am
Sunshine Coast - Maroochydhore	1 (Special facility – resort)	1	1am (Voluntary)
Rockhampton - Central	7	0	3am
Gladstone	0	3	3am
Toowoomba – South West	2	0	3am
Mount Isa – North West	1	0	3am
Mackay	6	4	3am
Total	146	14	

Policy directions in research

An essential strategy in minimising harm from alcohol is to reduce the level of overall consumption by the general population.¹¹ One means of achieving this is by limiting availability through restricting trading hours. Researchers state that: “One lesson of alcohol policy over the last 50 years appears clear; the more restrictive countries still show lower alcohol consumption and lower rates of alcohol problems than the less restrictive.”¹²

Researchers Professor Margaret Hamilton and Professor Robin Room have both taken the view that one of three central positions needed to minimise harm is reduced trading hours (the other two are taxation and product control).^{13,14} For this reason, it is proposed to restrict trading prior to 10am to one-off occasions, and restrict trading after 12am.

¹¹ *Inquiry into Strategies to Reduce Harmful Alcohol Consumption – Final Report* (2006). *ibid.*

¹² Richard Mullier, qtd. In *Inquiry into Strategies to Reduce Harmful Alcohol Consumption – Final Report* (2006). *ibid.*

¹³ Professor Hamilton sits on the Australian National Council on Drugs and has recently completed the National Alcohol Strategy 2006-2009: Towards a Safer Drinking Culture.

¹⁴ Professor Robin Room is the President of the Alcohol and Other Drugs Council of Australia (ADCA). The ADCA is the peak, nation, non-government organisation representing the interests of the Australian alcohol and other drugs sector.

Link between trading hours and harm – post-midnight trading

There is a direct correlation between extended trading hours, an increase in alcohol consumption and increased harm and injury. A study of Perth licensed premises comparing those with and without extended trading permits revealed levels of monthly assaults more than doubled, between the years 1991 and 1995, near premises with extended trading permits, whereas there was no change near those premises without.¹⁵ Levels of wholesale alcohol purchases increased dramatically for those premises with extended trading hours whereas there was only a slight increase for premises trading during normal hours.

The United Kingdom has recently abolished its standard trading hour's laws. The new laws provide flexible opening hours for premises, with the potential for up to 24-hour trading, seven days a week, subject to certain considerations. The reason for the change is to avoid the rapid consumption of alcohol that their more limited trading hours encouraged, with the subsequent emptying of licensed premises of large numbers of patrons simultaneously.¹⁶ However, this approach is not supported by many public health advocates in England (and elsewhere) who are not persuaded that such measures are sufficient to counter their views that unrestricted trading contributes to an increased risk of alcohol-related harm.¹⁷

This view is further supported by research carried out in the United Kingdom following the relaxation of trading hours. According to a recent study, two per cent of licensees (about 3000 premises out of 200 000) have adopted 24-hour trading.¹⁸ The study revealed that alcohol-related presentations at an inner London hospital, in proximity to late trading and 24-hour venues, significantly increased, as did the need for admission to hospital, after the new laws were introduced. A large proportion of these admissions related to assaults and injuries where alcohol was involved. Presuming the findings of the study can be extrapolated to other hospitals and centres around the United Kingdom, over a year, the increased numbers requiring medical assistance is substantial. Further, people presenting intoxicated at hospitals are more difficult to manage effectively, and often take up more resources for care than sober patients. Reducing alcohol-related presentations to hospitals across Queensland would be beneficial for the State's health services.

The Chief Alcohol Adviser for the NSW Government cites evidence from England, Perth and Sydney that reveals a greatly increased amount of injury where late-trading (or 24-hour trading) premises are concentrated, as are found in Brisbane entertainment precincts.¹⁹

¹⁵ Chikritzhs, T., T. Stockwell & L. Masters. 1997. *Evaluation of the public health and safety impact of extended trading permits for Perth hotels and night-clubs, Perth, Western Australia*: Alcohol Advisory Council of Western Australia.

¹⁶ Alastair Newton, Shah Jalal Sarker, Gurjinderpal S Pahal, Eric van den Bergh, and Charles Young. "Impact of the new UK licensing law on emergency hospital attendances: a cohort study." *Emergency Medicine Journal* 24 (2007) 532-34.

¹⁷ *Inquiry into Strategies to Reduce Harmful Alcohol Consumption – Final Report* (2006): Victorian Parliament, Drugs and Crime Prevention Committee.

¹⁸ Alastair Newton, Shah Jalal Sarker, Gurjinderpal S Pahal, Eric van den Bergh, and Charles Young. "Impact of the new UK licensing law on emergency hospital attendances: a cohort study." *Emergency Medicine Journal* 24 (2007) 532-34.

¹⁹ Professor Ian Webster is the Chief Alcohol Adviser to the NSW Government, and heads the Alcohol Education and Rehabilitation Foundation. (stated on Insight program broadcast 15 May 2007: SBS Australia).

A report by Chikritzhs and Stockwell, following seven years of research examining the effects of late trading licensed premises, stated that late trading contributed to both increased violence as well as increased levels of alcohol consumption.²⁰ Media reports also highlight the violence and increase in offences that have accompanied the relaxed NSW licensing laws.²¹

In its submission for the draft NSW *Liquor Bill 2005*, the City of Sydney reported findings that showed the majority of assaults on hotel premises were concentrated among a small percentage of late-trading venues.²² Recorded incidents of assault on licensed premises were also concentrated late at night or early in the morning.

3am lockdown evaluation

The statutory lockdown provision was introduced through an amendment to the *Liquor Act 1992*, to commence from 1 July 2006, following community and government concerns over the level and escalation of violence in and around licensed venues, particularly late at night.

Stakeholder consultation was undertaken with industry and local government. The majority of licensee respondents were not in favour of the lockdown, with the leading reason cited as difficulty in managing the lockdown, from staff rosters, scheduling entertainment, managing smoking issues, and retaining patrons for the latter part of the evening. Anecdotally, many licensees reported a drop in patron numbers, which led to a drop in sales and staffing requirements. However, the majority of licensees with extended hours permits are only using their permits for two nights a week, which translates to a lockdown for a maximum of four hours per week.

Local governments favour the lockdown as it has a most significant benefit for the community in improving safety and amenity of local areas. Council respondents to the evaluation cited a marked reduction in the concentration of patrons loitering in the streets around licensed premises, and CCTV camera monitors reported that security maintenance is easier, allowing more incidents to be picked up, and police were more easily able to respond. Police were also able to respond more proactively, and prevent the escalation of violence. Some councils were also able to provide local offence statistics from the Queensland Police Service that showed a reduction in the number and degree of offences since the introduction of the lockdown, particularly in the post-lockout period from 3am to 6am. For example, callouts to the Queensland Ambulance Service on the Gold Coast decreased by 66 per cent between 3am and 6am in the first four months after the introduction of the lockdown.²³

²⁰ Chikritzhs, T. & T. Stockwell. 2002. The impact of later trading hours for Australian public houses (hotel) on levels of violence. *Journal of Studies on Alcohol*, 63 (591-599).

²¹ As stated on Insight program broadcast 15 May 2007: SBS Australia.

²² Submission by the City of Sydney to the Discussion Paper on the draft NSW Liquor Bill 2005, quoting the NSW Bureau of Crime Statistics and Research.

²³ Gold Coast City Council (2008) *Submission supporting the 3am lockdown*. Gold Coast City Council, Surfers Paradise.

Research supports the retention of the lockout in every locality where an evaluation has been undertaken. Research consistently shows levels of assault increase significantly for premises that have extended trading hours.²⁴ The resulting injuries place an increased burden on health facilities, police resources and the community.²⁵ One of the leading causes of altercations between groups of males is the culture of ‘club hopping’, where patrons move from licensed venue to licensed venue throughout their evening. This problem has been identified in a number of reports on lockouts and from observations by licensees as a major problem.^{26, 27}

Extensive assessments of lockout evaluations show that there is evidence to suggest that anti-social behaviour and disturbances related to alcohol decline after the introduction of a lockout condition.²⁸ Positive outcomes of the lockout provision include a reduction in violence in and around licensed premises, a reduction in violence attributable to alcohol amongst youth, a decline in movement between venues, and an increased feeling of safety around entertainment precincts²⁹. Evaluations of lockouts report an improvement in patron behaviour and a reduction in the number of people in the streets after the lockout had started.³⁰ Other flow-on effects from a lockout include a larger police presence to deal with disturbances in a timelier manner, limiting the escalation of these disturbances, and creating a deterrent effect.³¹ Police are also able to be more strategic in their responses.³² A lockout can contribute to a cultural shift by forcing patrons to better plan their night out, and place themselves inside licensed premises before they reach a level of higher intoxication.³³

Another consequential improvement due to the lockout was an improvement in noise and amenity for residents in proximity to entertainment precincts.³⁴ This is increasingly important, as more high-density residential accommodation is built near entertainment precincts, such as in and around Fortitude Valley, and Caxton Street in Brisbane.

²⁴ Palk, G., J. Davey and J. Freeman. 2007. Policing and preventing alcohol-related violence in and around licensed premises. In *Proceedings 14th International Police Executive Symposium*, Dubai.

²⁵ Barby, R.J. 2007. *Report to the Victorian Consumer Affairs Tribunal for the Director of Liquor Licensing (Victoria)*.

²⁶ *ibid.*

²⁷ Molloy, M., J. McDonald, S. McLaren and J. Harvey. 2004. *Program Evaluation: Operation Link: Be Safe Late Program*. Centre for Health Research and Practice, University of Ballarat.

²⁸ National Drug Research Institute. 2007. *Restrictions on the Sale and Supply of Alcohol: Evidence and Outcomes*. Perth: National Drug Research Institute, Curtin University of Technology.

²⁹ *ibid.*

³⁰ *Inquiry into Strategies to Reduce Harmful Alcohol Consumption: Vol 1*. 2006. Drugs and Crime Prevention Committee, Parliament of Victoria.

³¹ Molloy, M., J. McDonald, S. McLaren and J. Harvey. 2004. *Program Evaluation: Operation Link: Be Safe Late Program*. Centre for Health Research and Practice, University of Ballarat.

³² *ibid.*

³³ *Inquiry into Strategies to Reduce Harmful Alcohol Consumption: Vol 1*. 2006. Drugs and Crime Prevention Committee, Parliament of Victoria.

³⁴ Barby, R.J. 2007. *Report to the Victorian Consumer Affairs Tribunal for the Director of Liquor Licensing (Victoria)*.

The impact on licensees can be minimised through considered management techniques. For many licensees, the lockout occurs for only four hours of their trading week. However, the benefit to the community can be seen in a permanent reduction in violence and anti-social behaviour in and around entertainment precincts and a significant improvement in the level of safety and amenity of these precincts. Research and evaluation of interstate lockouts provide further evidence. On balance, the benefits to the community outweigh the management challenges presented to licensees, and it is considered that the lockout provision should remain in place. Further, the current practice of relaxing the lockout during the Indy motor racing festival will no longer occur.

Risks and costs

Extended hours' trading allows further harms to be incurred by drinkers already at risk of high levels of alcohol-related harm.³⁵ These drinkers are young people, and more specifically young men, and the alcohol dependent. These consumers are more likely to take advantage of the extended drinking hours, and less likely, or able, to control their intake.³⁶

The increase of alcohol-related incidents between 3am-5am impacts extensively on the Queensland Police Service, Queensland Health, and the Department of Emergency Services. In an evaluation of the Gold Coast lockout shortly after its introduction, more than one quarter of all police call outs were alcohol-related. Of these, the majority occurred in or around licensed premises on Friday, Saturday and Sunday nights.³⁷ Drunkenness and alcohol-induced crime increase costs and burden police, emergency services staff and health services. This affects the ability of these services to provide for the needs of the rest of the community. Restricting trading hours would reduce the burden alcohol places on Government and community services and allow redistribution of resources for the benefit of the whole population.

There is a direct correlation between late trading licensed venues and increases in unwanted and harmful behaviour in and around licensed premises.³⁸ The effects of this increase are financial and personal costs carelessly expected to be borne by the Government and the community. Such costs to Government burden the community unnecessarily and divert resources which could more legitimately be used to enhance the lives of all Queenslanders.

Trading hours to 12am are recognised as less problematic. Therefore, standard operating hours to 12am support harm minimisation as the first object of the Liquor Act.

For the privilege of operating beyond this time, application will still be required to the Chief Executive, and each licensed premises would continue to be examined on merit for appropriate levels of safety and amenity. An extended hours trading approval, to trade after 12am, will incur increased financial cost to reflect the cost to Government of regulating the industry during a period where there is a greater potential for the misuse and abuse of alcohol.

³⁵ Chikritzhs, T. & T. Stockwell. 2002. *ibid*.

³⁶ Chikritzhs, T. & T. Stockwell. 2002. *ibid*.

³⁷ *Submission in support of continuation of management conditions including lockout for the period 1/4/05 to 30/9/05*. Assistant Commissioner South Eastern Region: Queensland Police Service.

³⁸ Tanya Chikritzhs, National Drug Research Institute.

Link between trading hours and harm – early morning trading

Alcohol is not just another product. Consumption of alcohol can be harmful to consumers, and can have significant effects on people other than the consumer, such that, along with gambling, tobacco, illicit drugs, and fatty foods that have harmful effects on health, regulatory intervention is necessary.³⁹

In a report for the National Competition Council, it was noted:⁴⁰

- That alcohol consumption leads to harm via three well-researched and understood mediating factors – toxicity, intoxication and dependency;
- Regulatory interventions that modify drinking patterns, such as reducing the availability of alcohol, are able to decrease alcohol-related harm; and
- In comparison with tobacco and illicit drugs, the distinguishing feature of alcohol is that there are threshold levels of consumption below which harms are avoided (and in fact which probably confer positive health benefits).

The report cites ‘best practice’ regulatory interventions to reduce alcohol related harms and in doing so endorses physical restrictions on the availability of alcohol as second only to increased prices/taxes as effective instruments.⁴¹

The proposal to restrict trading between the hours of 5am and 10am as an effective intervention to minimise harm is based on the belief that reduced hours and days of sale can reduce alcohol consumption and problem levels and is supported by research including:

- The World Health Organisation and Department of Health and Ageing sponsored reviews of scientific papers on the impact of changing the hours and/or days of trading. The reviews found strong evidence that reducing hours or days when alcohol can be purchased is associated with significant changes in over-all harm;⁴² and
- The Australian evidence for bars and licensed premises in both NSW and WA indicates that even small changes in hours can be associated with significant local impact.⁴³

Trading hours amendments will not apply to casinos as they are exempt under the *Casino Control Act 1982*. Changes to trading hours will also not impact on the residential areas of licensed premises.

This proposal supports the liquor reform agenda in that by restricting trading it reinforces the Liquor Act’s objective of harm minimisation.

³⁹ *Identifying a framework for regulation in packaged liquor retailing*. Report by Marsden Jacob Associates for the National Competition Council June 2005.

⁴⁰ *Ibid* p.36.

⁴¹ *Ibid* p.33.

⁴² *Ibid*. p. 46.

⁴³ *Ibid* p.46.

4.4 Manager's licence

The Liquor Act provides that a nominee must be appointed for each licence or permit where the licensee is a corporation, when the licensee holds another licence, or if the licence relates to a boat. A person ceases to be a nominee if the person discharges themselves from this position and an application must be made for a new nominee. During the time that the premises is without an approved nominee, the licensee assumes responsibility for the sale and supply of liquor on the premises.

The creation of a manager's licence is in line with the Government's red tape reduction strategy. A manager's licence would allow liquor licensing to focus on the activities and operations of the business over the licensing of a premises and ensure that the licensed activities and operations are professionally run by an appropriately qualified and experienced responsible person. A manager's licence would also allow the movement of employees between premises without the constant changes and delays in applying for a new licensee or nominee. A manager's licence would also ensure a manager is held responsible for proven breaches and offences under the Liquor Act, increasing industry professionalism. All premises must have a licensed manager available for the majority of their public operational hours, and when not on premises must be reasonably available and contactable. If the incumbent manager's licence holder is on holidays, then a replacement manager's licence holder must be in the position. Change of manager's licence holders for licensed premises will only be required to be notified to the Division; an application for a change would not be required.

An amendment to the legislation will make it mandatory for a manager to be present if the venue is licensed to operate after 12am, or is catering to a function (on or off-site) where the number of consumers for the current licensed operation or activity is increased.

Where a licensee is primarily responsible for the day-to-day operations of a licensed premises, they should hold a manager's licence; where a nominee is responsible for daily operations, they should hold a manager's licence; if neither runs the operations and a separate manager is employed, then that individual will require a manager's licence. This licence complements the current accountability requirements of the licensee and/or nominee and contributes to increased professionalism in the conduct of licensed premises.

Rationale for the manager's licence

Responses to the Liquor Act review supported the concept of a manager's licence and suggested it follow similar lines to the gaming nominee process under the *Gaming Machine Act 1991*. The portability and flexibility of the proposed manager's licence was strongly supported. A manager's licence would authorise the holder to be responsible for any licensed premises, and allow movement between premises without all the current administrative requirements.

Increasing the professionalism of management of licensed premises supports the harm minimisation objective of these legislative reforms. If nominees or managers of licensed premises undertake uniform training which requires a minimum standard of expertise and are accountable for their management practices, this will further serve to minimise the harm that arises from the misuse and abuse of liquor. A manager's licence means that only recognised professionals with appropriate experience will manage the industry, which will in turn encourage industry development.

WA's *Liquor Control Act 1988* requires the appointment of approved managers during all trading hours, and licensees must apply to the Director of Liquor Licensing for approval of manager arrangements, which may involve multiple or single managers.

The liquor legislation for both the United Kingdom and New Zealand provides for the licensing of managers. The UK Act provides for the granting of personal licences to individuals to supply or to authorise the supply of alcohol separate from the licence for the premises.

Under New Zealand legislation a certificate-holding duty manager must be on duty at all times when liquor is being sold or supplied on any licensed premises. There are two types of manager's certificates issued under this legislation – general and club. In order to obtain a general manager's certificate an applicant is required to hold the nationally recognised licence controller qualification. The general manager's certificate is a portable authority which permits the holder to manage any licensed premises.

The object of introducing a manager's licence is to promote responsible management practices, directed towards harm minimisation, in all licensed premises during all hours of operation. Given that research (as per the trading hours section above) shows that post-12am trading is by far the highest risk period for the misuse and abuse of alcohol, it will be mandatory for managers to be present from 12am at late-trading venues.

It is proposed that a manager's licence will be assessed according to the same criteria as an application for a new nominee which includes:

- completion of a RMLV course;
- completion of a separate RSA course;
- probity check; and
- assessment of management history e.g. infringement notices, complaints.

In the event a licensed manager is found to have a poor management record, such as frequent infringement notices or documented complaints, the licence may be refused. This would prevent such persons from easily moving to other premises, holding a management position and continuing their bad practice.

A manager's licence is to be renewed annually. The renewal would entail payment of a fee, a check on the currency of RMLV and RSA training, and assessment of updated work experience, management history and probity. Consideration may also be given to

extending the licence renewal to a period of five years in line with the gaming nominee and employee licence renewal period under the *Gaming Machine Act 1991*.

Peak bodies of the liquor industry in Queensland have recognised the value of informed and responsible managers who can contribute positively to the growth and professionalism of the industry. The manager's licence promotes professionalism and high industry standards which increase the skills of the person responsible and sustains a strong reputation for the liquor industry in the community. Management strategies which reflect best practice are essential to minimising harm from the misuse and abuse of alcohol.

4.5 Licence type restructure

The current licence types in the Liquor Act are prescribed and limited to the types of premises which apply for the licence, impinging upon industry development if a new business does not fit into the current structure. There are currently 14 different licence types in the Liquor Act.

It is proposed the licence categories for applications are streamlined into two distinct licence types – commercial and community – with subcategories for each based on risk. This would reduce the complexity of the current system, and promote user friendly principles. It would also allow innovative businesses to be placed into the appropriate risk category, without the negotiation involved in the current narrow, business-specific categories.

The new licence system will also reduce the number of administrative applications currently required, as many small, temporary permits will be abolished in favour of relatively inexpensive annual licences. This will reduce the administrative burden for the Division, industry and the public.

The new system would support customer-oriented terminology, with service, administration and management of processing and renewal occurring simply and easily. It is also proposed to introduce new licences for small/boutique bars and wine (exclusive) bars with a maximum capacity venue (of 60).

Boutique/wine bars

This restructure would also aid the growth of a boutique bar or wine bar (seating less than 60) market in Queensland. Small, wine and boutique bars are considered to enhance the ambience of a city, result in less harm, and are a current trend in NSW and Victoria. The ability to open these unique themed and eclectic establishments will allow the growth of live music and cultural venues across the state.

Rationale for the licence type restructure

The majority of respondents to the review discussion paper were of the view that some form of licensing or permit scheme should be required for all supply of liquor albeit a modified scheme for low risk operations. These submissions pointed out that the supply of alcohol under any circumstances should still oblige the supplier to supply liquor responsibly.

In comparison to other jurisdictions, Queensland has a substantial array of licence types and permits. NSW has a primary set of licence types, which are then subcategorised by location and seating capacity, and a separate legislative framework for clubs. Victoria also has a simple set of licence types which are then further categorised by trading hours. WA has a two category licence system, A and B, which represents whether a licensed premises sells alcohol as the primary purpose of business or is an ancillary product to their primary purpose. South Australia, like the Northern Territory, has only two licence types, one for commercial and one for community. Both Tasmania and the Australian Capital Territory have a two-tier structure, neither of which delineate between community or commercial licences.

In categorising particular licence types it is appropriate to recognise both the varying risk factors and the need to ensure the basic objects of the Liquor Act are complied with and are capable of being monitored and enforced. This is best achieved by introducing a simplified licensing system to accommodate the supply of alcohol for these lower risk activities. This approach is consistent with the aims of the *National Alcohol Strategy 2006-2009*.

4.6 Licence fee restructure

As part of the liquor licensing application process, applicants pay a single upfront fee prescribed under the Liquor Regulation for the type of licence or permit covering their activities. There is currently no requirement for licensees to renew a licence. The Liquor Regulation requires licensees to notify the Division of certain changes in their circumstances, such as when they stop trading. However, in the absence of an annual renewal process the information available to Government is incomplete. During the recent review of the Liquor Act the appropriateness of the existing licensing arrangements was identified as requiring consideration.

In addition, a significant amount of Government resources are employed each year to regulate, prevent and respond to the health and social harms resulting from alcohol abuse and misuse. Currently the revenue collected from licence holders is well below estimates of the cost of resources committed by Government to minimising and responding to instances of alcohol misuse and abuse.

As a consequence, it is proposed to amend the Liquor Act and the Liquor Regulation to require annual renewal of licences. The annual renewal fee would seek to cover the direct costs to Government of regulating the liquor industry. It is proposed to increase the application fee for a licence and introduce an annual renewal fee. The application fee will not exceed cost-recovery level.

The annual renewal fee will be based on risk, with base fees ranging from \$250 to \$2700. Detailed discussion of the restructure can be found in Section 11.

Liquor stakeholders are aware of the fee review and licence restructure. The majority of respondents to the review discussion paper acknowledged a need for high risk and late night traders to contribute to the costs associated with community harm and amenity issues. Generally, there appears to be recognition of the rationale for renewal fees, and broad acceptance that an increase in licence application fees will occur.

In determining this risk-based approach to fees the important role that hotels play in the life of rural communities, in particular, has been considered, and the base fee kept relatively low. The financial impact will therefore be low for rural hotels that do not attract compliance or late-trading risks.

Rationale for licence fee restructure

The fees will be restructured to increase application fees, and introduce annual liquor licence renewal fees. Increased application fees will be based on cost recovery. Annual renewal fees will be introduced to ensure licensees contribute appropriately to the direct, on-going costs of administering, managing and regulating liquor in their communities.

Fees are intended to cover the direct cost of regulation by the Division, and will not be extended to cover the substantial cost to Government incurred through agencies such as the Departments of Health and Emergency Services.

Consultation

One of the recommendations of BCSAP was that licence fees be restructured. This basic proposal was included in the review discussion paper and a number of submissions on a fee restructure were made by respondents. Although the responses were evenly divided between viewing the current level of application fees as adequate and reflecting the need to increase fees to cover the costs of administering licences, those who thought fees should remain the same tended to cite the cost of operating a licensed venue as reason not to increase fees. A recurrent recommendation in submissions to the discussion paper was that cost recovery and levels of risk are important factors in determining fees.

Many respondents, including the Queensland Hotels Association (QHA), submitted that increasing fees would discourage 'rogue' operators who do not have a strong commitment to regulatory compliance and harm minimisation. These operators are more likely to engage in irresponsible practices that would expose their patrons to a greater risk of harm. The QHA suggested fees for some licence categories should be set at a sufficient level to discourage these 'rogue operators' that bring disrepute to the industry.

It may be that marginal operators will choose to drop down a licence category to minimise licence fees payable. Having licensees voluntarily move into less risky categories of business is another means of assisting harm minimisation and reducing risk.

A reason given for not increasing fees was that a highly-specific user-pays system be introduced instead. Experience shows that it is often impossible to pinpoint the venue which contributed to a patron exhibiting unacceptable or harmful behaviour. Such a system would be unworkable. Another view that emerged was that other traders benefit from trading late in the vicinity of licensed premises and these non-liquor related businesses should contribute to the costs of harm minimisation. It is the nature of the product sold by licensed venues that leads to negative behaviour. The licensed premises, therefore, ought to logically bear the principal costs.

Expenditure on alcohol abuse and misuse by Government

Alcohol abuse and misuse requires significant expenditures by the Queensland Government. A large number of Government agencies are active in responding and preventing alcohol abuse and misuse. As shown in Table 5 the annual cost to Government of administering liquor regulations and harm minimisation initiatives through the Division is just over \$13.9 million per annum. These expenditures are much smaller than the expenditures of other agencies such as the Queensland Police Service and Queensland Health.

The list of agencies and expenditures in the following table only includes agencies where an estimate of expenditures by Government on regulation of, prevention of and responses to the abuse and misuse of alcohol could be formed. Other agencies deliver services which encompass alcohol abuse and misuse but were unable to attribute a proportion of the service to alcohol. The Department of Health estimates that over \$50 million per annum is expended on a range of alcohol and drug prevention, early intervention and treatment programs within the public and non-government sectors. In Queensland, alcohol was the second principal drug of concern, accounting for 28 per cent of treatment episodes.

Table 5 Direct costs of alcohol abuse, Queensland, 2006-07

Agency	Estimated expenditure \$million
Liquor Licensing Division, Queensland Treasury	13.9
Department of Police	38.4 ^b
Department of Health	128.52
Department of Justice and Attorney General	6.43
Department of Emergency Services	34.9
Department of Corrective Services	1.12
Department of Transport ^a	1.75
Department of Communities (including Office for Aboriginal and Torres Strait Islander Partnerships)	1.23
Total	226.25

Source: Data collected from the relevant Government agencies.

a Drink driving - media campaign costs for production and media costs for television, radio and convenience advertising and Taxi Rank security staffing and infrastructure costs.

b Estimate only includes labour costs and excludes other operating costs such as vehicle costs. It should be considered a lower boundary cost estimate.

Revenue from licensing fees

Alcohol is a relatively highly taxed commodity. In addition to the Goods and Services Tax (GST), alcohol is also subject to excise and wine equalisation tax, all of which are Commonwealth Government revenues.

In the past, state and territory governments collected an annual fee which consisted of a 10 per cent levy on liquor purchases. However, in 1997 the High Court ruled that such levies were an excise which, under the Constitution, could not be imposed. In the final year of fees collection, the revenue raised by the excise was \$137.4 million. Average licence fees were as follows for 1996-97:

Table 6 Average licence fees 1996-97

Type of licence	Average licence fee \$
General	\$92 938
Club	\$13 697
On-premises (meals)	\$3099

Source: Liquor Licensing Statistical Report, 1996/97. Queensland Government.

The Commonwealth initially increased its level of excise and made revenue replacement payments to the states and territories. Revenue replacement payments stopped as from 1 July 2000. Queensland's last revenue replacement payment for alcohol taxation was \$203 million in 1999-2000.

Table 7 shows the current fee and fine revenue relating to alcohol supply and consumption. Most charges relate to compliance (fines) and administration of the licensing system. The revenues are received from licensees although consumers are likely to meet some proportion of licensees' costs through higher alcohol prices or other charges (for example, entry fees to licensed premises).

Table 7 Fee and fine revenue 2006-07

Type of revenue	Revenue \$million
Licensing applications	2.184
Fines/infringements	1.204
Other fees	0.157
Training	0.132
Police searches	0.124
Total	3.801

Source: Queensland Government

The majority of direct government expenditure on responding to alcohol abuse and misuse is funded through general revenue rather than being recovered from licensees and consumers of alcohol. These mainly comprise state tax revenue and financial assistance payments.

The proposed legislation is considered reasonable and appropriate as Queensland Government agencies have a responsibility under the *Financial Management Standard 1997* to set user charges at a rate which accurately reflects the cost of providing the related service including the costs of administering regulation.

General principles have been developed to ensure that the setting and review of fees and charges is carried out in a consistent manner and regular review and monitoring of existing or proposed fees and charges is undertaken, as follows:

- **Clarity of purpose**

The development and application of standard principles for fees and charges is not intended to restrict Government from the provision of free or subsidised services to achieve social welfare, equity, environmental or economic objectives. Rather, it seeks to make the free or subsidised provision a deliberate decision of the Government by identifying the associated opportunity costs, thus providing transparency (see below) as to the degree of that subsidy, and ensuring alignment of subsidies with the Government's key policy priorities.

- **Transparency**

An open and transparent process should be used when setting fees. All of the costs used as the basis on which to calculate fees should be recognised and made explicit.

- **Efficiency**

The revenue collection system should be efficient. That is, the administrative costs of revenue collection should not be more than the revenue collected.

- **Timeliness**

There is a need to undertake regular monitoring and review of fees and charging regimes. Processes need to be in place to ensure that the cost recovery process is not entrenching inefficiencies and that an agency's fees and charges remain relevant to Government priorities.

- **Services to external beneficiaries**

Queensland taxpayers should not, as a rule, subsidise services for interstate or overseas beneficiaries.

In designing fee arrangements the policy requires agencies to:

- ensure that the taxation level reflects current Government policy; and
- consider the effect of the structure of the fee on the attainment of policy objectives.

There are three different costing methods that could be used for setting fees – full cost, avoidable cost and costing in a commercial environment.⁴⁴ Only the first two are relevant

⁴⁴ The guidelines define full cost as project labour, operating and indirect costs and avoidable cost as project labour and operating costs.

to establishing licence renewal fees as the regulation, prevention and response to alcohol abuse and misuse by the Government is not a commercial activity:

- regulatory services – full cost (project labour, operating and indirect costs); and
- non-regulatory services without real or potential competitors – avoidable costs (project labour and operating costs).

Minimising harm from the misuse or abuse of alcohol is proposed as the first objective of the Liquor Act. This objective is achieved, in part, through the regulatory regime established under the Liquor Act for liquor licences.

Regulation through licensing and permits includes processes such as ensuring that premises are appropriate, community interests are acknowledged and understood, and only appropriate persons and corporations are granted a licence or permit. In undertaking these processes, Government effectively establishes a threshold for suitability of individuals and corporations to supply liquor. As a consequence, a framework is created within which specific harm minimisation initiatives are either voluntarily developed and agreed to (such as liquor accords) or developed and required by Government (such as Responsible Service of Alcohol training) and can be more readily introduced and implemented by licensees. These initiatives then contribute to the achievement of harm-minimisation objectives under the Liquor Act.

As part of the licensing application process, applicants pay a fee prescribed under the Liquor Regulation for the type of licence or permit they are applying for. However, once a licence or permit is granted there is no requirement for licensees to pay any ongoing licence renewal fees. This is despite an ongoing monitoring and enforcement function that ensures duties, responsibilities and practices prescribed in the Liquor Act and Regulation are observed. An annual renewal fee would seek to cover the economic costs to Government of regulating, preventing and responding to alcohol abuse and misuse.

As discussed above, new fees must be consistent with the Government's fiscal principle of maintaining a competitive business environment. Through this principle the Government has committed to ensuring that State taxes and charges remain competitive with the other states and territories in order to maintain a competitive tax environment for business development and jobs growth.

There is a significant variation in the level of fees across jurisdictions. Annual renewal fees range from several hundred dollars per year to, in the Australian Capital Territory, the highest renewal fees at \$2724 per annum linked to a licensee's total value of purchases in the preceding financial year.

Fees in other jurisdictions are detailed in Table 8. The approach to licensing fees varies across jurisdictions. South Australia and the Northern Territory are similar to the current Queensland model. The other jurisdictions have adopted a licensing model based on an annual renewal. The NSW model is a hybrid arrangement where some categories of licence pay a one-off fee (nightclubs and restaurants) and others have a renewal requirement (hotels).

It was a general concession in submissions to the review discussion paper that the introduction of an annual renewal fee would put Queensland in line with other Australian jurisdictions.

Table 8 Summary of fees across Australian jurisdictions (data compiled July 2007)

(Licensees in other states are also subject to the imposition of other fees throughout their licence.)

Major licence type	Licence fee	Recurrent fee	Application fee	Number of licences
Queensland				
Hotel	n/a	n/a	\$1361.00	1354 ^a
Nightclub	n/a	n/a	\$1361.00	123
Club	n/a	n/a	\$1361.00	991
Restaurant	n/a	n/a	\$1361.00	2170
Retail	n/a	n/a	\$1361.00	1354 ^b
Wholesale	n/a	\$600.00	\$1361.00	163 ^c
New South Wales				
Hotel	\$2000	\$2500	n/a	2071
Nightclub	\$10 000 to \$60 000 ^d	n/a	n/a	105
Club				1539 ^e
Restaurant	\$500 (up to \$15 000) ^f	n/a	n/a	4362
Retail	\$2000	\$2500	n/a	1624
Wholesale	\$2000	n/a	n/a	
Victoria				
Hotel	\$553.60	\$166.10 ^g	n/a	
Nightclub	\$553.60	\$166.10	n/a	
Club	\$553.60	\$166.10	n/a	793 ^h
Restaurant	\$553.60	\$166.10	n/a	
Retail	\$553.60	\$166.10	n/a	1765
Wholesale	\$553.60	\$166.10	n/a	584 ⁱ
South Australia				
Hotel	n/a	n/a	\$450.50 ^j	627 ^k
Nightclub	n/a	n/a	\$450.50	30
Club	n/a	n/a	\$450.50	475
Restaurant	n/a	n/a	\$450.50	1009
Retail	n/a	n/a	\$450.50	200
Wholesale	n/a	n/a	\$450.50	262
Tasmania				
Hotel	\$242.00	\$398.09	\$968.00	
Nightclub	\$242.00	\$239.58	\$968.00	
Club	\$242.00	\$186.34	\$968.00	
Restaurant	\$242.00	\$186.34	\$968.00 ^l	
Retail	\$242.00 ^m	\$239.58	\$968.00	

Major licence type	Licence fee	Recurrent fee	Application fee	Number of licences
Western Australia				
Hotel	\$2025.00	\$145.00	n/a	
Nightclub	\$2025.00	\$145.00	n/a	
Club	\$460.00	\$145.00	n/a	
Restaurant	\$460.00	\$145.00	n/a	
Retail	\$2025.00	\$145.00	n/a	
Wholesale	\$460.00	\$305.00	n/a	
Northern Territory				
Hotel	n/a	n/a	\$200.00	
Nightclub	n/a	n/a	\$200.00	
Club	n/a	n/a	\$200.00	72
Restaurant	n/a	n/a	\$200.00	90
Retail	n/a	n/a	\$200.00	73
Wholesale	n/a	\$20.00	\$20.00	13
Australian Capital Territory^{a, o}				
Hotel	\$1936.00	a) \$981.00 ^p b) \$2724.00	n/a	
Nightclub	\$1573.00	a) \$981.00 b) \$2724.00	n/a	
Club	\$1573.00	a) \$981.00 b) \$2724.00	n/a	
Restaurant	\$1573.00	a) \$981.00 b) \$2724.00	n/a	
Retail	\$1573.00	a) \$981.00 b) \$2724.00	n/a	

a Detached bottle shops can only be operated by a general licensee. Therefore, Queensland's general licence category includes both hotels and retail premises. This figure represents the number of general licences held.

b Ibid.

c Licence figure is for producer/wholesaler category.

d Fee based on location of licensed premises. Under recent legislative changes, licensees in NSW may also be required to contribute to the cost of Liquor Accords.

e In NSW, licensed clubs operate under the NSW Registered Clubs Act.

f A grant fee between \$5000 and \$15 000 applies for a restaurant licence with a dine-or-drink authority and is based on seat capacity and location of the licensed premises.

g The renewal fee in Victoria is about 30% of the licence fee.

h This figure represents the number of full club licences. Additionally, there are 1323 restricted club licences.

i The wholesale licence category includes producers, brewers and liquor importers.

j All South Australian application fees include a \$54.50 government gazette fee for advertising.

k All South Australian licence data is as at 30 June 2005.

l A fee of \$484.00 applies for those restaurants already with a special licence granted for premises serving food.

m A fee of \$121.00 (50%) applies if only selling from a vineyard, as opposed to at a winery or cellar door premises.

n Renewal fees for ACT hotel, nightclub, restaurant and retail licence categories are determined on the value of stock held for sale. Fee a) applies if the value of alcohol products held for sale during the immediately preceding financial year is up to \$100 000. Fee b) applies if the value is greater than \$100 000.

o The ACT Liquor Act does not define wine producers but concentrates on the activities of each licensed premises. Each licensed 'producer' holds a licence relevant to their activities. Additionally, a tourism wine permit authorises the permit holder to sell, in closed containers, the amount of wine stated in the permit, at the times and places stated in the permit.

p Permit fee is based on proposed sales. Fee a) applies for proposed sales of up to \$2000. Fee b) applies for sales of more than \$2000.

4.7 *Liquor accords legislation*

Liquor accords are not currently recognised in the Liquor Act.

Legislation will offer certainty as to the nature of accords and the responsibilities of those who are members of the accord. Liquor accords will be recognised in the Liquor Act.

Rationale for liquor accords legislation

Liquor accords are being rapidly adopted in Queensland, but they remain a voluntary agreement unenforceable under the law. Liquor accords can be voluntary codes of practice, memorandums of understanding or other arrangements. They may address the supply of liquor, trading hours and business operations.

Generally, liquor accords have been a beneficial harm minimisation approach, involving local-based strategies to increase safety and reduce crime and anti-social behaviour. However, there have been some problems associated with both establishing liquor accords and ensuring that they are sustained over time and a number of submissions to the review discussion paper argued for further assistance in developing and maintaining accords.

There are many benefits associated with liquor accords. In particular, liquor accords:

- are situationally specific in the identification and analysis of problems and the development of interventions, particularly at the level of venues;
- have the capacity to proactively address emerging issues, thus preventing the development of more substantial problems;
- provide a mechanism for licensees to be accountable for patron behaviour outside their venues and for licensees to proactively contribute to addressing related issues;
- provide opportunities to licensees to access training and information to improve their operations; and
- facilitate the establishment of positive relationships with key stakeholders, regulatory and enforcement authorities.

In NSW, liquor accords are well established in many communities, and generally have the support of licensees, licensee forums and peak industry bodies such as the Australian Hotels Association, as long as they are entered into on a voluntary basis. Liquor accords are also a feature of WA's legislation, which provides a broad definition of accords and a clause authorising accords for the purpose of the *Trade Practices Act 1974*. The Director is also authorised to impose accord conditions on a licensee.

There are 72 active liquor accords across Victoria, some of which are linked to other safety strategies such as Safe City and Road Safety projects. Liquor accords are usually formed by police and licensees with varying input from local government, licensing authorities, the alcohol industry and the local community. Accords are mostly chaired by police, and well supported by strong enforcement programs, including a specialist police prosecutions unit

seconded to Liquor Licensing Victoria. Liquor accords have recently been added to the legislation in Victoria, and authorise accords for the purpose of the *Trade Practices Act 1974*.

In South Australia, liquor accords are well established and actively encouraged by the Liquor and Gambling Commissioner. Liquor accords are well supported by police and local councils as a crime prevention strategy. There is no specific legislation about accords, but accords are supported by strong police enforcement programs, responsible service policies and the imposition of licence conditions.

The overwhelming view from Queensland licensees in response to the review discussion paper was that liquor accords are a valuable mechanism to reduce alcohol-related problems in and around licensed premises and should be supported by legislation, but that licensees should not be compelled to join an accord.

This proposal is aligned with the Queensland Government's red tape reduction imperative. This reform promotes co-regulation between the Queensland Government and the liquor industry, rather than black letter regulation.



5. Policy objectives

In view of the overall regulatory and policy framework for liquor reform in Queensland, the policy objective is to minimise the harms associated with the sale and supply of alcohol, reduce red tape to enhance industry development, and consequently reduce the cost to Government and the community of the misuse and abuse of alcohol.

Community concerns about the costs and behaviours associated with the misuse and abuse of alcohol, particularly amongst young people, have recently been highlighted. The need to reduce these costs will be addressed through an alignment with contemporary approaches to liquor laws; an emphasis on harm minimisation; and an attempt to change cultural attitudes towards alcohol throughout the State.

As the cost burden that is imposed on Government and the community should be largely borne by those responsible for the costs, annual liquor licence fees will be introduced.

The framework for liquor reform in Queensland emphasises the need for an increased focus not only on harm minimisation but also red tape reduction. The initiatives created through these policy strategies will enhance the existing liquor regulatory framework and expand its capacity for accommodating innovative businesses.

In summary the policy objectives are to:

- enhance the safety and amenity of the community;
- limit the harms occurring from the misuse and abuse of alcohol;
- respond to community concerns about the misuse and abuse of alcohol;
- identify to the health and welfare community that their concerns about alcohol are being addressed proactively;
- provide direction to industry about the way alcohol is marketed and what type of products are a danger to the public;
- assure the community and industry that harm being caused or about to be caused by the misuse and abuse of alcohol will be addressed immediately and responsively;
- limit the availability of alcohol for consumption in places where its misuse and abuse incites violent or destructive behaviour or puts others at risk of the same;
- shift the regulatory regime from focusing solely on premises to include persons;
- ensure that all parties engaged in the sale and supply of liquor are engaging in responsible service and management practices, and those who aren't are held accountable under the Liquor Act;
- streamline administrative accountability requirements under unified processes;
- institute a licensing regime which provides a best practice example to other jurisdictions by addressing the source of the problem, rather than mending the harms after the fact;
- increase the flexibility of the licensing regime;

- provide a streamlined licensing regime which identifies the risks a licensed premises plays in a community;
- provide an incentive based regime to encourage licensees to manage licensed premises in respect to the requirements of the Liquor Act;
- improve the ability of the licensing regime to minimise harm from alcohol misuse and abuse;
- recover the financial costs to Government from regulating, preventing and responding to alcohol misuse and abuse;
- ensure the changes do not disproportionately impact on Queensland's regions; and
- maintain fees and charges that are competitive with the other states and territories.



6. *Legislative intent*

The intent of the proposed course of action is to achieve the desired policy objectives by introducing measures to support harm minimisation as the first objective of the Liquor Act. In order to achieve this policy objective, the Division will be required to amend both the Liquor Act and the Liquor Regulation to enhance the existing range of respective legislative provisions.

Regulatory action is considered reasonable and appropriate in this instance to ensure that effective mechanisms are in place to help safeguard community welfare given the concerns arising from the misuse and abuse of alcohol. The proposed reforms will significantly contribute to the safety of patrons, employees of licensed establishments and the community.

As well as supporting harm minimisation as the first objective of the Liquor Act, the proposed amendments are consistent with other policy objectives of the Liquor Act, including:

- (a) to facilitate and regulate the optimum development of the tourist, liquor and hospitality industries of the State having regard to the welfare, needs and interests of the community and the economic implications of change; and
- (b) to provide for a flexible, practical system for regulation of the liquor industry of the State with minimal formality, technicality or intervention consistent with the proper and efficient administration of this Act; and
- (c) to regulate the sale and supply of liquor in particular areas to minimise harm caused by alcohol abuse and misuse and associated violence; and
- (d) to provide revenue for the State to enable the attainment of the objects of this Act and for other purposes of Government.

The terms of reference for the legislation review in accordance with Queensland's Public Benefit Test guidelines are supplied at Appendix 2.



7. Consistency with the authorising law

The proposed amendments are consistent with the policy objectives of the Liquor Act.



8. Consistency with other legislation

The proposed amendments are consistent with the policy objectives of other legislation.



9. Impacted stakeholders

The proposed amendments are likely to impact on the following stakeholders:

- a) Ministerial banning power**
 - industry participants;
 - Government;
 - consumers; and
 - liquor wholesalers.
- (b) Mandatory RSA and RMLV training**
 - industry participants;
 - employees of licensed establishments;
 - the community;
 - training providers; and
 - Government.
- (c) Standard trading hours**
 - industry participants;
 - employees of licensed establishments ;
 - consumers;
 - the community;
 - Government; and
 - transport providers.
- (d) Manager's licence**
 - industry participants;
 - employees of licensed establishments;
 - the community;
 - training providers; and
 - Government.
- (e) Licence type restructure**
 - industry participants; and
 - Government.
- (f) Licence fee restructure**
 - industry participants;
 - new entrants to industry;
 - employees of licensed premises;
 - consumers;
 - the community; and
 - Government.
- (g) Liquor accord legislation**
 - industry participants;
 - Government; and
 - the community.

An impact matrix at Appendix 3 shows the anticipated level of impact on the relevant stakeholders generated by the proposed amendments to the Liquor Act and the subordinate legislation.



10. Preliminary stakeholder consultation

The Liquor Act Review was the subject of significant consultation with the liquor and hospitality industry, tourism operators, health and welfare workers and all other interested stakeholders. Consultation on the review was extensive.

Consultation occurred with community and industry through forums and the review discussion paper. The review discussion paper was released in April 2006 canvassing a wide range of issues, and did not limit responses to any particular section of the Liquor Act. Consultation workshops were undertaken throughout Queensland in the three week period from 26 April 2006 – 12 May 2006. Further targeted workshops with industry representatives, peak industry groups and consultant groups were also undertaken. Submissions closed on 2 June 2006 with 110 written submissions received.

The Safe Youth Parties Taskforce Report, tabled in Parliament on 27 March 2006, also made recommendations for the Division about social marketing campaigns to educate young people and their parents about alcohol and risks associated with it.

The Youth Violence Taskforce (the taskforce) has also made recommendations for legislative reform and social marketing. The taskforce convened the Youth Violence Forum (the forum) on 17 July 2007 to open discussions and ideas on strategies around youth violence and alcohol use and abuse. A report was prepared to summarise the key messages and suggested strategies from the forum, to inform taskforce members in their recommendations.

Three of the recommendations from the taskforce related to community education through the implementation of a social marketing campaign and other programs addressing safe drinking cultures and the effects of high risk drinking practices. These education programs were proposed to target minors, their parents and young adults with funding, at least in part, from the liquor and hospitality industries. A further recommendation was to investigate the possibility of introducing legislation regarding secondary supply, to prohibit the supply of large amounts of alcohol to minors by adults in circumstances where there is a high risk of harm.

In February 2007, the former Minister for liquor licensing addressed a meeting of key liquor stakeholders on the progress of the review and reiterated the Government's determination to promote harm minimisation as the critical objective of liquor policy and legislation. The introduction of a renewal fee was then contextualised as an option in this regard. Key tourism stakeholders were also informed by the former Minister for liquor licensing of the Government's harm minimisation priority.

Key industry stakeholders have been kept informed since the consultation proposals were released, through the Liquor Industry Consultative Forums, and specific Minister-stakeholder meetings.

Closed consultation has been undertaken in the form of two forums on the issue of secondary supply, held by the former Minister for liquor licensing on the Gold Coast, on 13 December 2006 and 10 August 2007, which included industry stakeholders and non-government organisations.

The review also took into account the recommendations of the SSAP, the *Queensland Drug Strategy 2006-2010*, and the *National Drug Strategy 2004-2009*.

Since the release of the *Liquor Reform in Queensland* position paper on 2 December 2007, extensive and wide-ranging consultation has occurred between the Division and a variety of stakeholders. Peak bodies have met with the Division on numerous occasions to further the development of the policy proposals.

On Monday 3 December the Minister's office held a meeting with three major industry associations, the Queensland Hotels Association (QHA), Cabarets Association (CA) and Clubs Queensland (CQ), to outline the reforms. At the meeting, industry stakeholders were invited to meet with the Division to further discuss the reforms. All stakeholders have met with the Division, including Restaurant and Catering Queensland (RCQ), and have indicated support for the reforms.

As a general position, all stakeholders directed that fees must be related to the cost of regulation and based on risk. They should be commensurate with harm and not based on ability to pay, but offer incentives for good compliance.

The QHA has restated its proposal that new entries to the commercial hotel licence category should pay a licence application fee significantly greater than all others to ensure that entrants to the industry are committed. They also feel that standard trading hours should be from 8.30am-12am to reflect the standard commercial hours for business.

CQ has suggested that designated sporting clubs, specifically lawn bowls and golf clubs; and particular workers clubs catering to shift workers, to operate from 8.30am. CQ has also proposed that the fee structure allow for late trading on a pro rata basis, to allow premises to only pay an annual fee for the nights they trade, as follows:

Table 9 Clubs Queensland proposal for pro rata late-trading

Day of week	Annual fee trading hours 12am – 3am	Annual fee trading hours 12am – 5am
Monday	\$1000	\$2000
Tuesday	\$1000	\$2000
Wednesday	\$2000	\$4000
Thursday	\$3000	\$6000
Friday	\$5000	\$10 000
Saturday	\$5000	\$10 000
Sunday	\$3000	\$6000

This would mean that a licensed premises which wanted five nights operating from 12-3am would be required to pay \$18 000, as the payment of the fee is cumulative. This process would further complicate the fee structure, and require changes in relation to trends and business practices on a regular basis.

The CA has made representations to Government that changes to trading hours, in particular, disproportionately affect cabaret licensees. The association has asked that their core trading hours of 6pm-3am be recognised in the new legislation and be subject to a fee of only \$1500 (rather than be subject to the new fees model outlined below at section 11.6. The association also questions a proposed change to their core trading hours which will result in no post-12am trading on ANZAC Day, Good Friday and Christmas Day. A possible resolution would be that current cabaret licensees are permitted to retain these current arrangements on the basis that no more are issued, and these benefits phased out with the cessation of those licences over time.



11. *Options and alternatives*

Government's responsibility in formulating legislation extends to include a host of factors. It is required to take into account the interest of all stakeholders and must continue to provide those legislative conditions which encourage industry transparency, consumer protection, safer communities and fair competition.

Based on these factors, consideration has been given to a number of options for achieving the desired policy objectives.

Option 1 – the status quo, and Option 3 – the higher risk model – are not preferred. Option 2 – harm minimisation as the first objective, is considered to be the most appropriate and effective means of achieving the desired policy objectives.

The rationale for eliminating Option 1 – the status quo – is that this option would continue to result in the problems that are occurring around licence types, undesirable and dangerous behaviour related to alcohol consumption, and unnecessary costs for industry and Government.

This option would see many of the measures that will be beneficial for the industry, patrons and Government being left as voluntary measures. While some industry self-regulation is a necessity, it is not considered that a wholly voluntary regulatory system to achieve optimum harm minimisation with respect to the sale and supply of liquor is adequate.

Self-regulation always carries a certain element of risk and must be given due consideration, especially in terms of consistency. Generally, voluntary measures give rise to uncertainty as some licensees will be reluctant, for various reasons, to participate in any form of voluntary measure. This does not create a level playing field for all licensees.

The rationale for eliminating Option 3 – the higher risk option – is that it is costly for industry and government, allows a higher risk operating environment for the sale and supply of alcohol and would not provide sufficient regard to the safety and amenity of the community and licensees. This option also retains higher risk options that do not align with the object of harm minimisation.

Option 2 provides comprehensive responses and solutions to current harms resulting from the misuse and abuse of liquor, and therefore supports harm minimisation as the first objective of the Liquor Act.

11.1 Ministerial banning power

Option 1 – Status quo

No change

Option 2 – Harm minimisation as first objective

Amend the Liquor Act to include the power for the Minister to make an order to prevent the sale of ‘undesirable’ liquor products

The power would allow the Minister to ban liquor products considered undesirable for a period of three years. The legislative banning, accompanied by an offence for the sale of such products, will lead to greater certainty about new products entering the market. The processes involved in the Ministerial banning power are in line with those adopted by the Office of Fair Trading under the *Fair Trading Act 1989*.

When an alcohol product is brought to the attention of the Division and is assessed as targeting minors and/or encouraging rapid consumption and undue intoxication, the Minister, under this authority, may:

1. Temporarily prohibit the supply of a product for a period of 42 days upon recommendation from the Chief Executive Officer of the Division.
2.
 - (a) permit any person who has an interest in the product to show cause in writing within seven days of their receipt of advice of the proposed order to ban; and
 - (b) consider any submission before implementing an order to prevent the supply of the product for a period of three years.

This is the preferred option as liquor products that unfairly target young people or that may cause harm are able to be removed from the marketplace.

Option 3 – Higher risk model

Restriction as an alternative to banning

To ensure that the Minister has a range of options available to deal with a particular liquor product, it may be desirable to create the power to restrict rather than prohibit the supply or sale of a particular liquor product.

This option is not in alignment with the Government’s red tape reduction strategy. Restriction of a product would need to take into account the licence type of a business, licence conditions, location of the premises and the packaging, advertising and retail sale price of the product.

The process of restricting an undesirable liquor product according to these parameters would complicate the administration of this legislation, therefore not delivering red-tape reduction for this proposal.

11.2 Mandatory RSA and RMLV training

Option 1 – Status quo

No change

Option 2 – Harm minimisation as first objective

Mandatory RSA training regardless of trading hours and RMLV training for all licensees, nominees and/or managers

All staff, including bottle shop staff, would require RSA training, and all currently untrained licensees, nominees and applicants for manager's licences would require mandatory RMLV training. Training will be considered current for a period of three years.

The introduction of mandatory, renewable training is in line with the priority that this legislative reform package places on harm minimisation. Consistency in standards, raising awareness of the principles of responsible service of alcohol, liquor laws and the responsibilities of licensees will be achieved through this increased level of training.

Mandatory server training programs have proved successful in other jurisdictions of Australia as alcohol servers have the ability to minimise the level of intoxication of patrons by identifying when they have had enough, and therefore reduce the levels of harm or ill-health caused through alcohol consumption. Mandatory RMLV training encourages the development of professionalism in the industry.

During the review consultation, mandatory RSA training for all staff had strong support from licensees and the community and mandatory RMLV had strong support from licensees who had completed the training.

This is the preferred option as it will provide consistency and professionalism across the State in service and management standards and also contribute to harm minimisation as the first objective of the Liquor Act.

Option 3 – Higher risk model

Limit RSA training to late traders State-wide

RSA training could be applied across the State to the staff of late trading venues only, as is the current situation in the Brisbane City Council area. Similarly, RMLV training could also be applied to the licensee and nominee of late trading venues.

This option will raise awareness of the principles of responsible service of alcohol, liquor laws and responsibilities at high-risk premises only. Service and management standards would not be across whole of industry.

Limiting the training requirements to late traders and their staff would retain the prescriptive nature of the current system by not applying a level playing field to all traders and does not address the harms associated with the sale and supply of alcohol.

11.3 Standard trading hours

Option 1 – Status quo

No change

Option 2 – Harm minimisation as first objective

Trading hours as outlined in table 10

Table 10 Trading hours – preferred option

Trading Hours	Availability
10am – 12am	Standard trading hours
7am – 10am	Upon payment of the relevant application fee and annual fee, licensees may serve alcohol in conjunction with a bona fide closed function where a meal will be provided. There will be no general trading before 10am
12am – 3am	Permissible subject to payment of the relevant application fee and annual fee
3am – 5am	Commercial hotels and commercial other – permissible subject to payment of the relevant application fee and annual fee Community – one-off permits only for specific world sporting events
5am – 7am	No trading permitted

Alcohol-related harm is greatly reduced and licences are standardised. The standard hours of operation are encouraged as those recognised as having a lower level of harmful behaviour. Research highlights the dangers of venues with extended hours trading. Such research revealed late trading contributed to both increased violence as well as increased levels of alcohol consumption.

With harm minimisation being the first object of the Liquor Act, research indicates that trading hours of 10am-12am are standard operating hours for the period recognised as less problematic. For the privilege of operating beyond this, application would have to be made to the Chief Executive, and each licensed premises would continue to be examined on merit for appropriate levels of safety and amenity.

The preferred option is that regular trading from 7am-10am will not be permitted.

It should be noted that licensees will not be able to conduct machine gaming under the *Gaming Machine Act 1991* due to the restrictions on pre-10am liquor trading. Note also that these trading hours do not apply to casinos which are regulated under the *Casino Control Act 1982*. Because casinos can trade for 24 hours under the *Casino Control Act 1982*, a loading has been incorporated in their base fee.

This is the preferred option as trading hours are standardised with trading encouraged during the period recognised as having a lower level of harmful behaviour. Increased restrictions on trading hours, for example prior to 10am, reduce the availability of alcohol and therefore the harm it may cause.

Option 3 – Higher risk model

Partial adjustment to trading hours

Standard trading hours from 10am to 3am with the possibility to apply for extended hours trading to 5am in defined precincts.

This option has standard trading hours going beyond the accepted time where minimal harm occurs. The trading hours between 3am-5am are the riskiest. This will place more burdens on police, emergency services and compliance officers. Longer trading hours encourage and allow for greater consumption of alcohol.

Evidence from England, Perth and Sydney reveals that there is a greatly increased amount of injury where late trading (or 24-hour) trading premises are concentrated. In its submission to the NSW Liquor Bill 2005, the City of Sydney reported that the majority of assaults on hotel premises were concentrated among a small percentage of venues, and these were late trading venues. Recorded incidents of assault on licensed premises were also concentrated late at night or early in the morning.

Alcohol and drug researchers Professor Margaret Hamilton and Professor Robin Room have both taken the view that one of three central positions needed to minimise harm is reduced trading hours.

11.4 Manager's licence

Option 1 – Status quo

No change

Option 2 – Harm minimisation as first objective

Every premises must have someone with a manager's licence reasonably available and on site post 12am

Where a licensee is primarily responsible for the day-to-day operations of a licensed premises, they should hold a manager's licence; where a nominee is responsible for daily operations, they should hold a manager's licence; if neither runs operations then a separate manager will be required.

A manager will be required to be on the premises at all times, or be "reasonably available". Where trading after 12am is approved, the licensee, nominee or licensed manager must be on the premises after 12am. The manager would similarly have undertaken training and be responsible for any proven breaches. A manager's licence would be portable and authorise the holder to manage any licensed premises.

Increasing the professionalism of management of licensed premises supports the harm minimisation objective of these legislative reforms. If managers of licensed premises undertake uniform training and are accountable for their management processes, this will further serve to minimise the harm that arises from poor management practices leading to the misuse and abuse of liquor.

This is the preferred option as the creation of a manager's licence would increase the professionalism of the industry by placing accountability on all persons/entities responsible for the management of licensed premises.

Option 3 – Higher risk model

A manager's licence is required only for venues with post 12am trading

The new licence category could be partly introduced.

This would mean that prior to midnight the onus of accountability for ensuring that the premises is managed in accordance with the Liquor Act and its licensed conditions is the responsibility of an untrained staff member. The current lack of accountability of venue nominees when disciplinary action is required will not be addressed.

11.5 Licence types restructure

Option 1 – Status quo

No change

Option 2 – Harm minimisation as first objective

Licence types restructure – a simple and flexible red tape reduction model

The new licence type restructure will reduce red tape by streamlining premises under two main categories – commercial and community.

Commercial licences are for commercial businesses, from corporations to sole operators. Community licences are for community based organisations, a non proprietary club with a management committee operating for the purposes of their members and special interest groups, most of which are outlined under the *Associations Incorporation Act 1981*, or the *Education (General Provisions) Act 2006*. Under the two licence types there will be five subcategories as listed below:

- | | |
|----------------------|---------------------|
| 1. Commercial | 2. Community |
| a) Hotel | a) Club |
| b) Casino | b) Other |
| c) Other | |

Purpose of five licence types

Commercial and community club licences have been determined according to specific operational criteria to ensure that the current Government policies pertaining to gaming and tobacco are not broadened. It also maintains the current legislation in relation to detached bottle shops.

1. Gaming

Under section 56 of the *Gaming Machine Act 1991* an application for a gaming machine licence can only be made by the holder of a general or club liquor licence (and limited special facility licences) under the *Liquor Act 1992*.

Under the new licence type structure commercial hotel and community club will be the only licence types that will be eligible to apply for a gaming licence. Commercial casinos are licensed under the *Casino Control Act 1982*.

2. Designated Outdoor Smoking Area (DOSA)

Under section 26ZA of the *Tobacco and Other Smoking Products Act 1998* a designated outdoor smoking area is available to:

- the holder of a general licence or club licence under the *Liquor Act 1992*; and
- a premises to which a special facility licence under the *Liquor Act 1992* applies, that contains all or part of a casino.

Under the new licence type structure DOSAs will be applicable to commercial hotel, commercial casino and community club licence types.

3. Bottle shops

Currently the ability to open a bottle shop under the *Liquor Act 1992* is only available to holders of a general licence who may have three off-site premises, within a 10 kilometre distance, for retail sale.

Under the new licence structure commercial hotel licences will be the only type permitted to have detached bottle shops (the maximum of three bottle shops within a 10 kilometre distance will remain).

The following table identifies the new licence types and how they align against the current licence types.

Table 11 Proposed new licence structure

Licence type	Current licence type	Business type	Characteristics	Who can/cannot apply
Commercial hotel	General	Pubs/hotels Taverns	<ul style="list-style-type: none"> Eligible to apply for gaming licence under <i>Gaming Machine Act 1991</i>; Designated outdoor smoking area (DOSA) available; Takeaway liquor sales; Detached bottle shops; Sale and supply of liquor for on premises consumption 	Can: individuals, partnerships, corporations, commercial entities Cannot: schools, local authorities, charitable organisations, not-for-profit clubs, community organisations
Commercial casino	Special facility (casino)	Casinos	<ul style="list-style-type: none"> DOSA; Operating under the <i>Casino Control Act 1982</i> 	
Commercial other	<ul style="list-style-type: none"> On-premises (meals) On-premises (tourist) On-premises (cabaret) On-premises (presentations) On-premises (function) On-premises (transport) On-premises (training) On-premises (other activity) Residential Special facility Limited Producer/wholesaler 	<ul style="list-style-type: none"> Restaurants Tourist and amusement parks Nightclubs Theatres, cultural centres, cinemas Functions Vessels, trains TAFE, hospitality colleges, internet sales Airports, indoor sports centres Resorts, motels, residential apartments, caravan parks, retirement villages Southbank, Portside, golf courses Caterers, canteens, florists, gift baskets, B&B's, hairdressers Breweries, spirit merchants, wholesalers New – small/boutique bars, wine bars 	<ul style="list-style-type: none"> No detached bottle shops; Sale and supply of liquor is ancillary unless premises is a small bar operating with capacity of less than 60 	Can: individuals, partnerships, corporations, commercial entities
Community club	Club	Clubs	<ul style="list-style-type: none"> Eligible to apply for gaming licence under <i>Gaming Machine Act 1991</i>; Designated outdoor smoking area (DOSA) available; Takeaway liquor sales available 	Can: charitable organisations, community organisations, not-for-profit clubs, non-proprietary corporations with a constitution Cannot: individuals, partnerships, corporations, commercial entities
Community other	Restricted club permit Club	Small clubs	<ul style="list-style-type: none"> Small interest clubs with permanent serving premises No gaming; No DOSA; No takeaway sales; Operating <25 hours/week 	Can: schools, local authorities, charitable organisations, community organisations, not-for-profit clubs, non-proprietary corporations with a constitution Cannot: individuals, partnerships, corporations, commercial entities

Permits

The new permit system provides significant red tape reduction.

The current catering away (one-off) permit, which authorises licensees to provide liquor at public events held away from licensed premises, will not be applicable under the new licence restructure. Under the new licence structure a public events permit will be issued to the organiser of the event, not to the individual licensees providing the sale and supply of liquor. The events organiser will be responsible for the management of the event, ensuring that the sale and supply of liquor is in accordance with legislative requirements. Licensees operating at the event will be responsible for their own operations, but will attend based on the event management permit.

There will be two types of public event permits – commercial and community. Commercial event permits will be issued for public events with the purpose of commercial gain. Community event permits will be issued for community, not-for-profit events.

A licensee will be able to apply for a catering away authority as an endorsement on their licence. With this authority, a licensee will not require a permit to cater away to small or private events. Catering away functions will require someone with a manager's licence to be present at all times.

In relation to events held by a licensee on their premises in which they want to increase the licensed area, they will require a condition on their licence which authorises them to hold a public event that utilises an increased area contiguous with their current licensed area. A licensee will need to make an application to permanently vary their licence conditions to attain this authority. In this initial application a licensee will need to demonstrate the ability to manage such an event appropriately to prevent harm from occurring in accordance with their obligations under the Act. This condition enables the licensee to conduct an event operating outside the standard licensed area without having to make an application for every occasion.

This is the preferred option as the creation of a simplified licence structure allows for reduced red tape and flexibility for industry innovation, while retaining current safeguards in relation to community amenity, gaming and smoking.

Option 3 – Higher risk model

Licence types restructure – based on location of premises

This licence type restructure will reduce red tape by streamlining premises under two main categories – commercial and community.

Under these two categories there are a limited number of sub categories based on the location of premises, regardless of how or when they sell or supply liquor. This supports harm minimisation research which identifies that the more concentrated an area of suppliers of alcohol, the greater the likelihood of harm occurring. In total there will be five commercial licence types, four community licence types, and three permits.

Table 12 Licence structure – higher risk model

Licence type	Level	Location
Commercial	A	Entertainment precinct in a central business district
	B	In a central business district
	C	Outer suburbs of a central business district
	D	Regional areas
	E	Rural areas
Community	A	In a central business district
	B	Outer suburbs of a central business district
	C	Regional areas
	D	Rural areas

Although the simplicity of this model is alluring, it creates its own set of problems as it sets standards across premises of a range of risk regardless of where they were located. There is also the added concern of defining the areas and what can sometimes be considered moving boundaries.

This is not the preferred option, as its face value simplicity does not provide for the current complexities and future development of industry with Queensland's growing population.

Bottle shops

Currently the ability to open a bottle shop under the Liquor Act is only available to holders of a general licence, who may have three off-site premises for retail sale. Under the new licence type structure general licences will no longer be available.

Under the new licence structure commercial licences A-E whose primary purpose is the sale and supply of alcohol will be permitted to have detached bottle shops (the maximum of three bottle shops within 10 kilometres will remain).

Tobacco and Other Smoking Products Act 1998

Under section 26ZA of the *Tobacco and Other Smoking Products Act 1998* a liquor licensee may have a designated outdoor smoking area if they are the holder of a general licence or club licence under the *Liquor Act 1992*, are a premises to which a special facility licence under the Liquor Act applies.

Under the new licence type structure general, club and special facility licence types will no longer be available. To maintain the Government's current policy position in relation to designated outstanding smoking areas, without narrowing or widening this market, the new licence type structure will define these areas as follows:

Table 13 Defined smoking areas – higher risk option

Current licence type	New licence type	Qualifying definition
General licence	Commercial A – E	Primary purpose is the sale and supply of alcohol
Club licence	Community A – D	A club operating under the <i>Associations Incorporation Act 1988</i> , or they must be a non proprietary club with a management committee operating for the purposes of their members
Special facility licence (casino)	Commercial A – E	A casino operating under the <i>Casino Control Act 1982</i>

Consequential amendments will be required to be made to the *Tobacco and Other Smoking Products Act 1998*.

Gaming Machine Act 1991

Under section 56 of the *Gaming Machine Act 1991* an application for a gaming machine licence may only be made by the holder of a general or club liquor licence under the Liquor Act.

Under the new licence type structure general and club licence types will no longer be available. To maintain the Government's current policy position in relation to the availability of gaming licences, without narrowing or widening this market, the new licence type structure will define these areas as follows:

Table 14 Gaming licences – higher risk option

Current licence type	New licence type	Qualifying definition
General licence	Commercial A – E	Primary purpose is the sale and supply of alcohol
Club licence	Community A – D	A club operating under the <i>Associations Incorporation Act 1988</i> , or they must be a non proprietary club with a management committee operating for the purposes of their members.

Consequential amendments will be required to be made to the *Gaming Machine Act 1991*.

11.6 Licence fees restructure

Option 1 – Status quo

No change

Option 2 – Harm minimisation as first objective

Licence fees restructure – based on risk and partial cost recovery

Increased application fees

As per table 15 an application fee is payable upon lodgment, with 25 per cent of the fee refundable if the application is unsuccessful or withdrawn by the applicant. This fee model is based on option 2 of the licence type restructure, as follows:

Table 15 Lodgment fees – harm minimisation option

Licence type	Application/lodgment fee (75%)	Refund (25%) of application fee (if applicable)
Commercial hotel	\$5000	\$1250
Commercial casino	\$5000	\$1250
Commercial other	\$1000	\$250
Community club	\$2200	\$550
Community other	\$675	\$125

Introduction of annual renewal fees

Option 2 introduces a new risk-based annual fees model. This model uses a self-assessment process for applicants and licensees to calculate their annual renewal fee based on how they operate.

Base fee

A base fee will apply to each licensed premises. This base fee varies according to the licence type and reflects the level of risk that is posed to the community's safety and amenity by the premises. As the business of a commercial hotel is the sale and supply of alcohol it is appropriate that the base fee is higher than other licence categories. The commercial other licence category incorporates a range of premises types that sell and supply alcohol ancillary to the main business such as restaurants, vessels, residential, caterers and special facility. The risk posed by these types of premises is less than that of a commercial hotel and therefore a lower base fee is applicable. The variance in base fees provides for a fair starting point for all premises. Those that operate at a higher risk beyond their base category will be identified through the self-assessment table and the appropriate fee determined.

To determine the annual renewal fee of a licence an “Annual Fees Scale - Risk Criteria” assessment will need to be completed. This self-assessment will evaluate the premises operations in relation to specific ‘risk criteria’ to determine the risk posed to the community’s safety and amenity by the business.

For some premises types (refer to the table below) in the commercial other category, engagement with the self-assessment table will not be appropriate, provided there are no compliance issues. Business types such as gift baskets, florists, retirement villages, hospitals, producer/wholesalers and presentations are considered to be extremely low risk in their liquor operations and the risk criteria is not definitive of their purpose. Consequently, the annual renewal fee for these type of businesses will be the commercial other base fee. However, if any compliance issue arises then the licensee will need to engage with the self-assessment table.

Table 16 Premises exempt from self-assessment table

An exemption only applies to the following types of premises provided there is no compliance history.

Premises type	Current licence type	New licence type	Annual renewal fee	Explanation
Gift baskets and florists	Limited	Commercial other	\$500	Very low risk as sale of liquor is limited to approximately 2 litres per basket or arrangement.
Breweries, spirit merchants, wholesalers	Producer/wholesaler	Commercial other	\$500	Very low risk as sale of liquor is not to general public but largely to the liquor industry
Retirement villages	Residential and limited	Commercial other	\$500	Very low risk as sale of liquor is ancillary and patrons are unlikely to misuse and abuse liquor
Hospitals	Limited	Commercial other	\$500	Very low risk as supply of liquor is in conjunction with a meal and in very limited amounts
Theatres, Cultural centres, cinemas	Presentations	Commercial other	\$500	Very low risk as liquor can only be sold 60 minutes prior to presentation, during intermission and for 60 minutes after the presentation. Sale and supply of liquor is ancillary.

Bottle shops

Bottle shops are included as separate entities in the fees restructure because large quantities of alcohol can be purchased from these premises for off-site consumption. In terms of availability, bottle shops provide consumers with most of their access to alcohol, with 80 per cent of Queensland’s liquor purchased through takeaway sales. Consequently, the risk posed to the community’s safety and amenity through the proliferation of such retail outlets is significant.

A detached bottle shop is a retail business selling liquor for off-premises consumption and is structurally separate from the business of the hotel to which it is attached by licence. Each hotel is entitled to up to three detached bottle shops within 10 kilometres. It is therefore appropriate that a commercial hotel licence will incur a fee for each detached bottle shop in addition to the base rate fee.

Annual fees scale – risk criteria

As per table 17 an applicant or licensee would tick the level of risk in each criterion which applies to the operation of their business. The fee applicable to the level selected by the licensee in each criteria will be added to the base fee to determine the annual renewal fee for the licence.

1. Trading hours

Trading hours is a significant aspect of licensed premises operations which impact on a community's safety and amenity.

A report *Inquiry into Strategies to Reduce Harmful Alcohol Consumption – Final Report* (2006) confirms that an essential strategy in minimising harm from alcohol is to reduce the level of overall consumption by the general population.

Evidence from England, Perth and Sydney reveals a greatly increased amount of injury where late-trading (or 24-hour trading) premises are concentrated, as are found in Brisbane entertainment precincts. A report by Chikritzhs and Stockwell, following seven years of research examining the effects of late trading licensed premises, stated that late trading contributed to both increased violence as well as increased levels of alcohol consumption.

Trading from 12am-3am constitutes extended hours trading and is considered to be a high risk period. Therefore the fee reflects this risk to the community's safety and amenity.

Extended trading hours between 3am-5am further increases the risk of harm and, consequently trading at this time will incur an 'elevated risk' fee.

Trading from 7am-10am will also incur a fee, though significantly lower than post-12am trading. Premises which operate for longer hours increase the risk of alcohol-related harm to the community – the more hours people have to drink, the greater opportunity for excessive consumption and consequential harms.⁴⁵

The fees are cumulative for each trading period.

⁴⁵ Chikritzhs, T. & T. Stockwell. 2002. The impact of later trading hours for Australian public houses (hotel) on levels of violence. *Journal of Studies on Alcohol*, 63 (591-599).

2. Noise

Loud noise/music can have a negative impact on health and well-being. Exposure to loud music in nightclubs and hotels can cause hearing damage and increase a person's aggression. Various studies show that the effect of the loud noise and the consumption of alcohol contribute negatively to a community's safety and amenity:

"Certain 'frustrating' or 'irritating' physical attributes of bar, pub and night club environments have been associated with aggression ... These include poor ventilation, high noise levels, smoky atmospheres, inconvenient bar access, inadequate seating and overcrowding. Environments containing these physical elements may increase arousal and anxiety and, in turn, increase the likelihood of people becoming aggressive".⁴⁶

Queensland Health evidence also suggests that loud music is linked to increased violence when alcohol is involved: "loud, frantic music is associated in Australian licensed venue studies with increased violence by intoxicated patrons".⁴⁷ A survey of other evidence also finds that "Loud music has also been implicated in: psychological disorientation, ability to focus on other tasks, increases heart rate, decreases vascular blood flow, increases in the body's core temperature, and distress in the immune system ... In another study, some students who consistently listened to loud music exhibited maladaptive behavioural patterns consistent with substance abuse".⁴⁸

Other studies also raise the issue of the irritability caused by noise: "noise is probably the most widespread nuisance. However, it is actually more than just a nuisance, constituting a real and present hazard to health. It can produce serious physical and psychological stress and though we seem to adjust by ignoring noise, the ear never closes and the body still responds. Annoyance, the most common symptom of irritability has been made the basis of many noise abatement programs".⁴⁹

The level of low background noise is equivalent to about 75dB(C) and this is a base-no risk level on the scale. Most nightclubs are structurally designed to contain a noise level greater than 100dB(C).

If a licensee intends to have any form of entertainment or amplified speakers they will need to submit an acoustic report conducted by an acoustic engineer. An acoustic assessment is the only way of determining permissible noise levels above 75dB(C). If there is no acoustic report then the lowest level noise condition, < 75dB(C), will be applied.

Current on-premises (cabaret) licences where the premises have been structurally designed to contain noise levels greater than 100dB(C) will be exempt from the noise criteria.

⁴⁶ www.homeoffice.gov.uk/rds/pdfso4/r214.pdf

⁴⁷ www.health.qld.gov.au/phs/documents/atods/22172.pdf

⁴⁸ Dr Barry Blesser (PhD MIT). June 2007. "The Seductive (Yet Destructive) Appeal of Loud Music" in Hearing (Loss) and Related Issues. Montreal Canadian Electroacoustic Community. www.blesser.net/downloads/eContact%20Loud%20Music.pdf

⁴⁹ Adedayo O Olaosun. 2007 "Does Knowledge of Hazards of Exposure to Noise Change Attitudes and Translate Into Healthful Practices?" *Internet Journal of Health* v5.2 www.ispub.com/ostia/

3. Food

The harmful potential of alcohol can be reduced when consumed with a meal. A business that does not provide food in association with alcohol would pose a greater risk of harm to patrons and therefore the community. The risk scale in this criterion has been divided into the provision of food in standard trading hours and extended trading hours.

As the level of alcohol consumption increases during the extended hours trading periods, the provision of food during this time can assist to reduce the harmful effects incurred by excessive consumption of alcohol. A licensee who provides meals or prepared snacks to patrons during the late trading poses a lower risk than those that do not.

The National Alcohol Strategy Factsheet, “Alcohol and the Drinking Environment”, specifies that “Recent studies have shown that high risk drinking and harmful outcomes are more common for single males under 25 who have not eaten and who have been drinking at hotels or nightclubs. Eating while drinking is well established as a means of minimising intoxication, and various studies have shown that providing food on site can ameliorate the harm from alcohol”.⁵⁰

Other studies support the crucial role that food plays in the absorption rate of alcohol: “For a person who has not eaten, peak BAC (blood alcohol concentration – point of greatest intoxication) typically occurs between 0.5-2.0 hours. For a person who has eaten, that peak BAC will typically not occur until 1.0-6.0 hours”.⁵¹ Meal size, and the lapse in time between food ingestion and alcohol ingestion are also relevant: in general, a large meal and a short lapse in time will have the most significant effect on slowing the absorption rate of alcohol.⁵² In simple terms, eating slows your drinking pace and fills you up.⁵³

This evidence has led to the development of the following categories as assessable levels of risk:

- Off-site sales* – *this level refers to the sale of liquor for off-site consumption such as gift shops and producer/wholesalers and the unavailability of food is not a risk.*
- Not applicable* – *this level pertains to businesses providing food and liquor subsidiary to the main business e.g. hairdressers, cinemas, cultural centres.*
- Prepared meals* – *a meal (as defined in the Liquor Act) that is prepared on the premises;*
- Prepared snacks* – *food that does not satisfy the definition of a meal; finger food that is prepared on the premises such as sandwiches, hors d’oeuvres, appetizers etc.*
- No food* – *no food items at all.*

⁵⁰ <http://www.alcohol.gov.au/internet/alcohol/publishing.nsf/Content/resources-menu>

⁵¹ <http://www.rochester.edu/uhs/healthtopics/Alcohol/tolerance.html>

⁵² *ibid.*

⁵³ <http://www.druginfo.adf.org.au/article.asp?ContentID=alcohol>

4. Compliance history

This criteria relates to the management of licensed premises and the results of compliance activity by the Division's Compliance officers. Poor management leads to a range of issues which contribute negatively to the community's safety and amenity.

The compliance history will be evaluated on the previous year's activity. Definitive compliance activity such as warning letters to management, infringement notices and prosecution/disciplinary action will be the scale for the risk criteria.

If a death or trauma occurs on licensed premises and is found to be the fault of the licensee, by their failure to meet their obligations under the Act, then an 'encumbrance' status is automatically assigned and the fee reflects the ongoing costs to government in regulating and monitoring the premises. This is in addition to any prosecution or disciplinary action under the Liquor Act.

Assuming that a further breach does not occur during the following 12 months, that fee will be removed from the subsequent year's total. Compliance history fees are therefore only charged for the 12 months after they are incurred, and will not be carried over to the following year unless there is a separate incident occurring in that time period.

Table 17 Annual Fees Scale – Risk Criteria

Criteria	Scale	Risk	Fee \$	Tick	Total
BASE FEE					
Commercial	Hotel		\$2700		
	Casino		\$10 000*		
	Other		\$500		
Community	Club (large)		\$2200		
	Small Club (<500 members)		\$1000		
	Other		\$250		
Bottle shops	Detached bottle shop		\$2500/ shop		
Trading hours	10am – 12am		\$0		
	7am – 10am	Medium	\$2000		
	12am – 3am	High	\$7500 (\$144/wk)		
	3am – 5am	Elevated	\$10 000 (\$193/wk)		
Noise dB(C)	Exemption for existing cabaret licences		\$0		
	< 75		\$0		
Noise with an acoustic report	76 – 90	Medium	\$500		
	91 – 100	High	\$1000		
	>100	Very High	\$2000		
Provision of food (standard trading hours)	Off-site sales		\$0		
	Not applicable		\$0		
	Prepared meals (up to 1hr prior to closing)		\$0		
	Prepared snacks (up to 1hr prior to closing)	Medium	\$500		
	No Food	High	\$1000		
Provision of food (extended trading hours)	Prepared meals (up to 1hr prior to closing)		\$0		
	Prepared snacks (up to 1hr prior to closing)	High	\$1000		
	No food	Very High	\$10 000		
Compliance history	Positive management history		\$0		
	Warnings	Low to medium	\$3000		
	Infringement notices	Medium	\$5000		
	Prosecution/ disciplinary action	Very High	\$10 000		
	Death or trauma	Encumbrance	\$20 000		

* Because casinos can trade for 24 hours under the *Casino Control Act 1982*, a loading has been incorporated in their base fee.

This is the preferred option as licence fees will be scaled according to risk and will contribute to harm minimisation as the first objective of the Liquor Act.

Option 3 – Higher risk model

Licence fees restructure – based on risk, direct and indirect cost recovery

Increased application and grant fees

As per option 2, application fees will be increased to recover the costs of processing, administering and managing the application process. The whole 100 per cent of the fee is payable upon lodging an application. Application fees will be divided into an initial fee (75 per cent of the total application cost), and a grant fee (25 per cent of the total application cost) which will be refunded if an application is refused or withdrawn. This fee model is based on option 2 of the licence type restructure, as follows:

Table 18 Lodgment fees – higher risk option

Licence type	Level	Lodgment fee	Grant fee	Total application fee
Commercial	A	\$3750	\$1250	\$5000
	B	\$3750	\$1250	\$5000
	C	\$1650	\$550	\$2200
	D	\$262.50	\$87.50	\$350
	E	\$262.50	\$87.50	\$350
Community	A	\$1650	\$550	\$2200
	B	\$550	\$125	\$675
	C	\$262.50	\$87.50	\$350

Introduction of annual renewal fees

A new licence type structure is provided, based on current licensed types transferred onto a new framework.

Table 19 New licence types

Licence type	Level	Current licence type	Premises type
Commercial	A	general, cabaret	pubs/ hotels, nightclubs, casinos, taverns
	B	retail sales, wholesale & producer sales	detached bottle shops, producers & wholesalers
	C	on-premises meals, residential, special facility licences	residential, motels, restaurants, events, small and boutique bars, airports, South Bank, convention centres, Portside Wharf,
	D	limited licences, all other on-premises, staged developments (building), provisional approval,	wine bars, functions, caterers, B&B's, party hire, sales, cinemas, university, TAFE, sports centres, boats, caravan parks, tourist and amusement parks, race courses, theatres, cultural centres, vessels, trains, training colleges
	E	ancillary	hairdressers, retirement villages, florists, gift baskets, hospitals
Community	A	club licence – with gaming	community club organisations, not for commercial profit clubs
	B	club licence – without gaming	club community organisations, not for commercial profit clubs, small interest clubs with permanent serving premises
	C	restricted club; small clubs without gaming or DOSA; trading less than 25 hours/ wk	community organisations, not for commercial profit, small interest clubs with permanent serving premises

In this model annual fees are allocated according to a general assessment of the risk, as per option 2, but are based on region as well as trading hours beyond 12am. Negative loadings will be applied to the fees based on geographical regions in consideration that higher density areas (urban areas) of licensed premises are of higher risk. To apply the loading Queensland will be divided into three regions in line with the *Gaming Machine Regulation 2002* (section 10E), and negative loadings applied as follows:

Table 20 Loadings for geographical regions

Region	Location	impact % on annual renewal fees
south-east region	means the area of the Brisbane and Moreton statistical divisions defined in the classification document	0
coastal region	means the area of the Far North, Fitzroy, Mackay, Northern and Wide Bay-Burnett statistical divisions defined in the classification document	-15%
western region	means the area of the Central West, Darling Downs, North West and South West statistical divisions defined in the classification document	-30%

Under the *Gaming Machine Regulation 2002* (section 10E), *classification document* means the 2001 edition of the Australian Standard Geographical Classification (Cat. No.1216.0) published by the Australian Bureau of Statistics.

Table 21 Proposed annual fees scale – geographical and late trading risk model

Licence type	Level	Region	Annual fee with no 12am-3am trading	12am-3am trading	3am-5am trading	Total cost of trading, 10am-5am
Commercial	A	south-east	\$8250	\$14 850	\$29 700	\$44 550
		coastal	\$7000	\$12 600	\$25 200	\$37 800
		western	\$5750	\$10 400	\$20 800	\$31 200
	B	south-east	\$5750	\$10 400	\$20 800	\$31 200
		coastal	\$4900	\$8850	\$17 700	\$26 550
		western	\$4050	\$7250	\$14 500	\$21 750
	C	south-east	\$3300	\$5950	\$11 900	\$17 850
		coastal	\$2800	\$5050	\$10 100	\$15 150
		western	\$2300	\$4150	\$8300	\$12 450
	D	south-east	\$1650	\$2950	\$5900	\$8850
		coastal	\$1400	\$2550	\$5100	\$7650
		western	\$1150	\$2100	\$4200	\$6300
	E	south-east	\$1650			
		coastal	\$1400			
		western	\$1150			
Community	A	south-east	\$5750	\$10 400	\$20 800	\$31 200
		coastal	\$4900	\$8850	\$17 700	\$26 550
		western	\$4050	\$7250	\$14 500	\$21 750
	B	south-east	\$1650			
		coastal	\$1400			
		western	\$1150			
	C	south-east	\$350			
		coastal	\$300			
		western	\$250			

As per option 2, a positive loading fee will be added to licensed premises that require regulation above and beyond appropriate regulatory levels. Definitive criteria will apply to these licensees (as previously outlined), and their annual renewal fee will be increased by 100 per cent.

Increased fees and annual renewal fees illustrated in this model will ensure that industry pays directly for the costs of regulating, managing and administering the liquor industry in Queensland, and contribute to the indirect costs of liquor misuse and abuse.

11.7 Liquor accord legislation

Option 1 – Status quo

No change

Option 2 – Harm minimisation as first objective

Amend the Liquor Act to include recognition of liquor accords, with participation potentially linked to licence conditions

The legislation would provide certainty as to the nature of accords and the responsibilities of those who are part of them.

Providing recognition for accords will reward compliant licensees and allow them to continue to work co-operatively with police, with varying input from local government, licensing authorities, the alcohol industry and the local community.

Legislation could also empower the Chief Executive to impose conditions where a recalcitrant licensee does not want to co-operate with an approved liquor accord.

Compliant licensees who are making the effort to ensure they operate their businesses with a harm minimisation framework will appreciate the recognition of their efforts, which in turn will encourage further compliant behaviour.

This is the preferred option as this approach promotes co-regulation between the Queensland Government and the liquor industry, and supports the first objective of the Liquor Act.

Option 3 – Higher risk model

Legislate for accords without an option to impose their licence conditions on other licensees

The legislation would provide certainty as to the nature of accords and the responsibilities of those who are part of them.

Providing recognition for accords will reward compliant licensees and allow them to continue to work co-operatively with police, with varying input from local government, licensing authorities, the alcohol industry and the local community.

However, accords may be undermined by licensees who favour increased profit over joining local solutions to alcohol-related problems.



12. Cost and benefit options

Harm minimisation framework based on risk (preferred option)

12.1 Ministerial banning power

A ministerial power to ban liquor products would be aligned with harm minimisation as the first object of the Liquor Act.

A banning power would also be aligned with reform elements of:

- minimising social harm that results from the misuse of products which specifically target and encourage the consumption of liquor by minors; and
- minimising social harm that results from the misuse of products which encourage the rapid or excessive consumption of liquor.

12.1.1 Impact on industry participants

The business of wholesalers and producers of alcohol products will potentially be affected by the ministerial banning power, with products able to be removed from sale for up to three years. This could have an impact on the potential sales stemming from these products, and hence profits for producers, wholesalers and retailers. However, most wholesalers and retailers in the industry already voluntarily decide to not sell these products, so the level of impact would be minimal. These are often short-run productions with products sold on a novelty basis, so those involved in production and sales are often not long-term participants in the market.

12.1.2 Impact on Government

From an administrative and regulatory point of view, this recommended change will have an impact on Government. The processes of implementing bans, hearing appeals, and potentially renewing bans will require increased administrative involvement.

Government will have the assurance of being able to ban any products aimed at young people or that encourage the rapid or excessive consumption of liquor. This is not a benefit that will accrue under the status quo, or with the option to allow the restricted sale of such products.

12.1.3 Impact on consumers

The banning of products considered undesirable from the market will mean consumers have a reduced level of choice in the liquor products they can buy, and their right to exercise that choice for themselves is removed.

12.1.4 Impact on liquor wholesalers

This amendment restricts the types of goods and services that are permitted to be sold by wholesalers of liquor products and licensed venues. There will be circumstances where products are deemed harmful and the Chief Executive will force their removal from sale.

12.2 Mandatory RSA and RMLV training

The proposed changes to the Liquor Act will impose an obligation on licensees to ensure their staff have undertaken RSA training. All licensees, nominees and managers will be required to maintain the currency of their RMLV accreditation, with RMLV training to become mandatory and renewable every three years.

In practical terms this means that mandatory RSA and RMLV training will contribute significantly to staff confidence in managing licensed establishments. Training will prepare staff to respond adequately, especially in circumstances where they are required to handle difficult patrons or give assistance with arranging transport for intoxicated persons.

12.2.1 Impact on industry participants

There will be no regulatory requirement for licensees to incur the cost of training or for training to be undertaken during work hours. However, most licensees already prefer RSA trained staff, and many licensees already provide in-house training for their staff.

A responsible business generates considerable benefits to industry in terms of integrity and commercial gain. Patrons will likely respond to the safer environment created by trained staff and feel safer, stay longer and continue with their patronage.

Clients are unlikely to patronise establishments where they could be the subject of harassment or aggressive behaviour by intoxicated and rowdy people, where undesirable practices are permitted by poorly trained or uninformed staff. Both the status quo and higher risk model give rise to this type of scenario. With the adoption of either of these options there would be a number of establishments that would disregard responsible server practices and continue to operate in an irresponsible manner to the detriment of patrons and staff.

Licensees will be reassured that breaches of the legislation are less likely to occur with well-trained staff who are aware of their responsibilities and obligations. RSA and RMLV training increases awareness of management and staff in how to handle undesirable situations and avoid fines and penalties that could also result in suspension of the licence.

Current training fees

Enquiries conducted by the Division about training fees reveal significant variation. A survey of training programs revealed that the Division's five hour RSA training program is offered for between \$50-\$80, and the RMLV two day training course for \$500-\$600. The indications are that training costs should not change as a consequence of the changes proposed here.

12.2.2 Impact on employees of licensed premises

Training costs have been identified as a concern for trainees, especially where the licensee is not prepared to carry or subsidise such costs. However, many licensees already provide training for their staff and most are prepared to subsidise or meet training costs for RSA and RMLV programs.

Where licensees are prepared to meet all or some of the costs, the impact on employees will be either eliminated or much reduced. It is anticipated that most employees will only be required to meet costs for work books or certificates which would not exceed \$50 thus costs would not be considered a deterrent to employment.

12.2.3 Impact on the community

The key benefits to the community with responsible service of alcohol and responsible management strategies include the prevention of underage drinking, prevention or management of intoxication and intoxicated behaviour, prevention or management of violent or disruptive behaviour.

Other benefits include better working environment for staff, safer conditions for patrons and a greater community appreciation of licensees' commitment to help reduce problems of intoxication, underage drinking, irresponsible behaviour and drink driving.

RSA trained staff:

- can ensure that alcohol is consumed in a responsible manner;
- are skilled and knowledgeable to exercise adequate control over the service of liquor;
- can restrain excessive alcohol consumption on licensed premises; and
- ensure underage and intoxicated people do not have access to liquor.

Thus, staff are in a position to encourage responsible attitudes towards the sale and consumption of alcohol and contribute to establishing safer drinking patterns. This is a considerable benefit for the community.

No adverse impacts have been identified for the community with mandatory server practices. Whereas with the status quo option it is considered that when responsible service practices are not part of the business, the problems of underage drinking, intoxication and public disorder are not only retained but will escalate to the detriment of the community. In particular the vulnerable sector of the community, young people, will be the most disadvantaged. Where responsible service is lacking young people can easily access alcohol and engage in excessive consumption which can lead to social, physical and psychological harm. Adopting RSA strategies and professional management strategies can prevent or mitigate the occurrence of such behaviour and its consequences.

12.2.4 Impact on training providers

The only impact on training providers identified in this analysis relates to the Division's registration fee for trainers and annual licensing fees and training manual costs. However, given the high participant turnover, costs will be readily absorbed by training providers.

12.2.5 Impact on Government

From an administrative and regulatory point of view, the recommended changes will be simpler and easier to administer. From a public health perspective, the changes are, on balance, likely to increase the ability of Government to control alcohol and will result in more responsible service and consumption of alcohol.

As Registered Training Organisations (RTOs) will be responsible for training, assessment and issuing of Certificates of Attainment, costs for Government in terms of administration would be covered by registration and licensing fees. No costs are anticipated with administration or enforcement.

Government is aware that the general public is now less tolerant of drunkenness, drink driving and underage drinking because the community is much more aware of the problems associated with such behaviour. Consequently, legislating for practices that ensure alcohol is consumed by those who can do so in a responsible manner shows a committed response to growing community interests in encouraging responsible attitudes and minimising harm. These are significant benefits to Government, in terms of integrity, commitment and responsible governance.

A reduction in complaints is a further benefit to Government, as it reduces costs of administration associated with compliance and prosecution functions. These benefits are unlikely to accrue with the status quo option. Even with the higher risk option there would be a number of establishments which would continue to generate complaints and the associated costs in resolving them as a result of partial staff training.

12.3 Standard trading hours

It is proposed that standard trading hours may be from 10am-12am. Commercial licensees will be able to apply for an extended trading hours licence or one-off permits to trade until 3am, and from 3am-5am. Community clubs may apply for an extended trading hours licence one-off permits to trade until 3am. Licensees may apply for approval to trade from 7am to 10am for closed functions.

12.3.1 Impact on industry participants

Restricting 3am–5am trading will continue to impact on only 2.4 per cent (160 premises) of all licensees in the State. The quantity of alcohol sold between these hours is less than for other hours of trading, and often licensees only choose to trade to 5am on the busier one or two nights of the week. Some of these licensees choose to close by 3am regardless of their permit to trade to 5am. This indicates that trading between these times does not offer great viability. However, it is acknowledged that there must be some financial inducement for some licensees to trade until 5am for them to choose to do so. This financial benefit will be diminished under the proposed annual fee structure.

Licensees who continue to trade between 3am-5am are trading at a time that is considered very high risk, where their customers are more likely to be intoxicated. This poses a greater risk for alcohol-related incidents to happen within or near the premises, increasing their risk of a negative impact such as a serious injury occurring on the premises, or being in breach of their licence or permit conditions.

The status quo option does not deliver a level playing field. The higher risk option allows for the commencement of the service of alcohol from 8am with standard hours ceasing at 3am. This allows for standard service to enter a high risk trading period.

12.3.2 Impact on employees of licensed premises

A number of operators may decide not to continue to trade between 3am-5am. This may reduce employment opportunities. However, it is anticipated more staff would be required to account for more concentrated patronage earlier in the evening.

12.3.3 Impact on consumers

A safer drinking environment will be provided for patrons of licensed premises where the level of alcohol consumption is reduced by virtue of reducing availability through restricting trading hours. Increased trading hours are linked to increased alcohol consumption, which in turn leads to a greater risk of alcohol-related harm. Neither the status quo nor the higher risk option offers such improvements to patron safety. The harm minimisation approach will, however, reduce utility and choice for those consumers who want to be able to attend licensed premises during 3am–5am, as these trading hours will become less viable.

12.3.4 Impact on the community

The community will benefit from improved amenity around licensed premises. The proposal will also minimise the alcohol-related disturbances and public disorder in venue localities. Members of the public who are starting their daily activities, for example on their way to work, or on a morning walk, will be less likely to encounter intoxicated patrons who have just left licensed venues.

12.3.5 Impact on Government

The reduction in alcohol-related harm that stems from restricted trading hours lowers the impact on the Queensland Police Service and the Department of Emergency Services. Operational planning will be simplified, and the added cost burden of responding to call-outs for alcohol-related incidents between the hours of 3am-5am when it is more costly to attend, will be reduced. A reduction in overall alcohol consumption will also have flow-on effects for the health system.

12.3.6 Impact on transport providers

The proposed changes to trading hours place different requirements on both private and public transport providers. If trading after 3am becomes less viable, transport options would need to be concentrated around 3am, and be required much less through the remaining early morning hours.

More taxi operators would be required at and before 3am, and work and profits would be spread amongst more providers, reducing the income of providers currently operating at that time. However, providers would be operating during safer hours and there would be minimal demand for taxi marshals after 3am.

Public transport options would also need to be concentrated prior to and at 3am, potentially allowing for more effective and certain allocation of resources. This would serve to reduce public transport costs. Public transport providers would also not have to operate during less safe hours.

12.4 Introduction of a manager's licence

The proposed changes to the Liquor Act will impose an obligation on licensees to ensure that managers hold a manager's licence.

In practical terms this means that a mandatory manager's licence, which includes RMLV training, will contribute significantly to staff confidence in managing licensed establishments. Training will prepare managers to respond adequately, especially in circumstances where they are required to handle difficult patrons or give assistance with arranging transport for intoxicated persons.

12.4.1 Impact on industry participants

There will be no regulatory requirement for licensees to incur the cost of training or for training to be undertaken during work hours. However, RMLV is already a well-developed course that is known and accepted across industry.

A responsible licensee who promotes their policies and service practices to the public generates considerable benefits to industry in terms of integrity, as well as commercial gain. In environments that promote responsible management clients feel safer, will stay longer and be more likely to continue with their patronage.

With the adoption of either the status quo or higher risk options, a number of licensees might disregard responsible management practices and continue to operate in an irresponsible manner to the detriment of patrons and staff.

Well-trained managers will be more likely to ensure licence breaches do not occur, given their high level of knowledge and skills to recognise and deal with intoxication, age identification, or encourage the consumption of alternative beverages. They will also be more aware of the laws regarding alcohol sale and service.

Current training fees

Enquiries conducted by the Division about training fees reveal significant variation. A survey of training programs revealed that the Division's two day RMLV training course, which is a part of the current licence application process, is offered for \$500-\$600.

The indications are that the cost of will not change as a consequence of these proposals.

12.4.2 Impact on employees of licensed establishments

Training costs have been identified as a concern for trainees, especially where the licensee is not prepared to carry or subsidise such costs. However, many licensees already provide training for their staff and most are prepared to subsidise or meet training costs for RSA and RMLV programs. Where licensees are prepared to meet all or some of the costs, the impact on employees will be either eliminated or much reduced. It is anticipated that most trainees will only be required to meet costs for work books or certificates which would not exceed \$50, thus costs to trainees would be quite sustainable.

12.4.3 Impact on the community

The key benefits to the community with responsible management strategies include the prevention of underage drinking, prevention or management of intoxication and intoxicated behaviour, prevention or management of violent or disruptive behaviour.

Other benefits include better working environment for staff, safer conditions for patrons and a greater community appreciation of licensees' commitment to help reduce problems of intoxication, underage drinking, and irresponsible behaviour and drink driving.

No adverse impacts have been identified for the community with mandatory management practices. In contrast, with the status quo option it is considered that when responsible management practices are not part of the business, the problems of underage drinking, intoxication and public disorder are not only retained but will escalate to the detriment of the community.

12.4.4 Impact on training providers

The only impact on training providers identified in this analysis relates to the Division's registration fee for trainers and annual licensing fees and training manual costs. However, given the high participant turnover, costs will be readily absorbed by training providers.

12.4.5 Impact on Government

From an administrative and regulatory point of view, the recommended changes will be simpler and easier to administer. From a public health perspective, the changes are, on balance, likely to increase the ability of Government to control alcohol and will result in more responsible service and consumption of alcohol.

As RTOs will be responsible for training, assessment and issuing of Certificates of Attainment, costs for Government in terms of administration would be covered by registration and licensing fees. No costs are anticipated with administration or enforcement.

Government is aware that the general public is now less tolerant of drunkenness, drink driving and underage drinking because the community is much more aware of the problems associated with such behaviour. Consequently, legislating for responsible management practices shows a committed response to growing community interest in encouraging responsible attitudes and minimising harm. These are significant benefits to Government, in terms of integrity, commitment and responsible governance.

A reduction in complaints is a further benefit to Government, as it reduces costs of administration associated with compliance and prosecution functions. These benefits are unlikely to accrue with the status quo option. Even with the higher risk model there would be a number of establishments that would continue to generate complaints and the associated costs in resolving them as a result of partial staff training.

12.5 Licence type restructure

It is proposed that the licence categories for application are streamlined into two distinct licence types – commercial and community. Each category has sub categories based on risk. This would reduce the complexity of the current system, and promote user friendly principles. It would also allow innovative businesses to slot into the appropriate risk category, without laborious negotiation under the current limited labelling.

The new system would support customer-oriented language, with service, administration and management of processing and renewal easily transacted. It is also proposed to introduce new licences for small/boutique bars and wine (exclusive) bars for patrons with a maximum capacity venue (of 60).

This streamlining will include amending the Liquor Act and each licence category will have a descriptor in which standard conditions are outlined. The new structure supports an annual fee structure based on risk.

12.5.1 Impact on industry participants

Simplifying the categorisation of licences will reduce the complexity of the current system and promote user friendly principles. Licensees with innovative businesses will avoid some of the laborious negotiation involved in the current limited labelling. Licensees will potentially save on costs that are often incurred through the need to consult licensing specialists for advice.

The new system will support customer-oriented language, with service, administration and management of processing and renewal occurring simply and easily. The red tape reduction goal of this proposal will make licensing less complicated and time-consuming and may also link with other government approval processes such as for machine gaming.

The introduction of a new licence type for small/boutique bars and wine (exclusive) bars will benefit licensees or new entrants to the industry who want to establish this type of venue.

12.5.2 Impact on Government

The administration of liquor licensing will be simplified and there will likely be a reduction in objections about licence applications as the categories will be more definitive.

Local councils will no longer be able to hold general licences under the new structure. These licences have as their primary purpose the sale and supply of liquor. Governance of a local community is the primary purpose of local councils, so it is fitting that they no longer hold inappropriate licence types.

12.6 Licence fees restructure

12.6.1 Impact on industry participants

To align annual fees with licence type and levels of risk is a strong incentive for licensees to manage the risk of alcohol abuse and misuse at their premises. Low risk outlets in particular may experience an increase in output due to the change in consumption patterns resulting from increased alcohol prices in the high risk segments of the market.

Licensees will incur an increase in compliance and licensing costs. Differential fees will impact heavily on general licence holders in high risk categories. The extent to which licensees are able to pass on these costs to consumers and the impact on alcohol sales of any price increase will determine the overall impact on the industry.

Lower industry profitability may pose a threat to the viability of some licensees with a resultant loss in asset value and owner's equity.

Table 22 provides an estimate of fees that licence holders might pay under the new structure.

Table 22 Estimate of fees for current licence holders

Licence Type	Average Annual Fee
General	<p>The average general licence does not have a detached bottle shop, will operate from 12am to 3am, have a noise condition of 75dB(C) and provide meals, therefore, according to this criteria the average annual fee will be approximately \$10 700.</p> <p>Rural hotels: there is not a significant difference in fees between urban and rural hotels as many rural premises have trading hours until 1am and 2am, some for only Friday and Saturday nights; the majority have a noise level of 75dB(C) and no detached bottle shops. It is likely that many of the premises trading only to 1am or 2am may choose not to and avoid the fee associated with this time period. A hotel trading in standard hours, with a noise level of 75dB(C), provides meals and does not have a detached bottle shop, will have a fee of \$2700.</p>
Club	50 per cent of club licences open prior to 10am, the majority close at 12am, have a noise condition of 75dB(C) and provide food, therefore, according to this criteria the average annual fee will be between \$2200 and \$4200.
On premises (Cabaret)	The average cabaret licence operates to 5am and has a functioning kitchen to provide meals, therefore, according to this criteria the average annual fee will be approximately \$18 500.
On premises (Tourist)	The average tourist licence operates within the standard 'no risk' criteria and will therefore have an annual fee of approximately \$500.
On premises (Meals)	The average meals licence operates within the standard 'no risk' criteria and will therefore have an annual fee of approximately \$500.
On premises (Presentations)	The base fee of \$500 will be the annual fee for this licence type. If a negative compliance history arises then they will need to engage with the self-assessment table.
On premises (Function)	The average functions licence operates within the standard 'no risk' criteria except may not provide food, therefore, according to this criteria the average annual fee will be approximately \$1500.
On premises (Transport)	The average transport licence operates within the standard 'no risk' criteria and will therefore have an annual fee of approximately \$500.
On premises (Training)	The average training licence operates within the standard 'no risk' criteria and will therefore have an annual fee of approximately \$500.
On premises (Other Activity)	The average other activity licence operates within the standard 'no risk' criteria except may not provide food, therefore, according to this criteria the average annual fee will be approximately \$1500.
Residential	The average residential licence operates within the standard 'no risk' criteria and will therefore have an annual fee of approximately \$500.
Special Facility	Due to the varying nature of premises with this type of licence, and consequently the operational criteria, it is difficult to specify an average annual fee.
Limited	<p>Due to the varying nature of premises with this type of licence, and consequently the operational criteria, it is difficult to specify an average annual fee.</p> <p>Gift baskets/Florists/ Hospitals - the base fee of \$500 will be the annual fee for this licence type. If a negative compliance history arises then they will need to engage with the self-assessment table.</p>
Producer/ wholesaler	The base fee of \$500 will be the annual fee for this licence type. If a negative compliance history arises then they will need to engage with the self-assessment table.

12.6.2 Impact on new entrants to industry

Some potential licensees may be dissuaded from entering the market, therefore reducing competition.

12.6.3 Impact on employment

Some reduction in employment may result if output falls significantly under an annual renewal fee system based on risk.

12.6.4 Impact on consumers

More moderate consumers may experience an improvement in their drinking environment as the level of alcohol abuse is reduced due to higher prices. The extent of the impact will depend on how much cost is passed on and the demand response by consumers. Consumers in high risk establishments will be impacted most heavily. This may result in a change in consumption behaviour.

12.6.5 Impact on community

Reduced Government economic costs associated with alcohol abuse resulting from aligning fees to risk of alcohol misuse and abuse. Potentially, members of the community could pay less tax or benefit from increased levels of publicly provided services.

12.6.6 Impact on Government

An annual renewal fee system based on licence type and risk will provide increased revenue to Government. Government would, over time, experience reduced demand for services to respond to alcohol abuse and misuse, with benefits to the health and emergency services sectors.

Collection of an additional fee will not pose an administrative burden on Government as systems are already in place for the collection of other fees and charges. Discussions are ongoing with the Office of State Revenue within the Treasury Department to collect fees on behalf of the Division.

12.7 Liquor accord legislation

12.7.1 Impact on industry participants

Recognition of liquor accords is an incentive for licensees to work together to manage the risk of alcohol misuse and abuse at their premises, and effectively self-regulate without unnecessary Government intervention.

12.7.2 Impact on Government

From an administrative and regulatory point of view, the recommended change will be simple and easy to administer. The changes are, on balance, likely to increase the ability of Government to work with licensees to minimise the misuse and abuse of alcohol and will result in more responsible service and consumption of alcohol.

12.7.3 Impact on the community

The key benefits to the community with the encouragement of accords include the development of strategies to prevent underage drinking, to prevent or manage intoxication and intoxicated behaviour, and to prevent or manage violent or disruptive behaviour.

Consequential benefits include better working environment for staff, safer conditions for patrons and a greater community appreciation of licensees' commitment to help reduce problems of intoxication, underage drinking, and irresponsible behaviour and drink driving.

No adverse impacts have been identified for the community with legislative recognition of liquor accords.

Table 23 Impact assessment

Group	Description of impact	Benefits	Costs
Liquor licence holders	<ul style="list-style-type: none"> • Increased regulatory burden • Higher training or employment costs • Reduced trading hours in some cases • Red tape reduction 	<ul style="list-style-type: none"> • Good management of alcohol consumption, achieved partly through better staff training • Less alcohol-related harm in and around premises at high-risk times • Reduction in red tape following the introduction of the manager's licence and licence type restructure • Uniformity of approach with respect to training requirements ensures equity and all premises operate more safely 	<ul style="list-style-type: none"> • Potential increase in the cost of operating a business but needs to be considered against red tape reduction and simplified licensing system • Potential reduction in trading time and sales • Negative income transfer (i.e. reduced profits)
Alcohol suppliers	<ul style="list-style-type: none"> • Potential impact on suppliers interested in developing novelty products or products targeted at minors 	<ul style="list-style-type: none"> • Reduction in harmful incidents involving minors consuming these products • Reduced negative publicity as a result of effects of products 	<ul style="list-style-type: none"> • Potential for reduced demand for alcohol • Potentially reduced profits
Government	<ul style="list-style-type: none"> • Provision of some increased training and regulatory services • Face opposition from industry if cost impact of trading hours is significant 	<ul style="list-style-type: none"> • Increase in efficiency of regulation by reduction in red tape through licence type restructure • Licensed premises managed and staffed by professional staff • Streamlined regulation • Financial savings across agencies that deal with the impact of harmful behaviours induced by alcohol consumption • Reduction in alcohol-related violence and injury results in less strain on the provision of health, police and emergency services 	<ul style="list-style-type: none"> • Increase in administration costs during implementation period

Group	Description of impact	Benefits	Costs
Liquor consumers	<ul style="list-style-type: none"> Any cost of regulation and training may be passed on to consumers Possible reduction in competition 	<ul style="list-style-type: none"> Better management of behaviours associated with alcohol consumption Safer public places due to reduced risk of alcohol-related incidents Responsible service of alcohol Uniformity of approach with respect to training requirements ensures all premises operate more safely 	<ul style="list-style-type: none"> Possible increased price of alcohol
Community	<ul style="list-style-type: none"> Reduced costs from misuse and abuse of alcohol 	<ul style="list-style-type: none"> Reduction in social cost of alcohol consumption Safer public places due to reduced risk of alcohol-related incidents Uniformity of approach with respect to training requirements ensures all premises operate more safely 	<ul style="list-style-type: none"> Increase in public administration may increase costs to community
Non-Government organisations, social and community groups	<ul style="list-style-type: none"> Reduced impact of the use and abuse of alcohol 	<ul style="list-style-type: none"> Less strain on the provision of services 	
Employees	<ul style="list-style-type: none"> Possibly reduced working hours 	<ul style="list-style-type: none"> Work will be conducted during more regular hours 	<ul style="list-style-type: none"> Less opportunity for employment in licensed premises from 3am-5am



13. Summary

The cost and benefit analysis considers both quantifiable and non-quantifiable impacts (i.e. the social, cultural, economic and environmental implications) of the proposed liquor reforms on licensed establishments operating throughout Queensland.

The costs of the proposed liquor reforms will mainly impact on industry participants. Industry stands to incur most of the financial impact from the proposal which requires the introduction of annual renewal fees, mandatory RSA and RMLV training for licensees, nominees and staff. Some of these costs, in turn, may be passed on to consumers.

Costs, however, should not be considered in isolation from benefits, which, in this case, are mostly derived from harm minimisation measures, responsible management and server practices, and more flexible licensing. Most of the benefits cannot be given a monetary value, especially in terms of increased community safety and amenity. Generally, the liquor reforms will minimise harm for the community and protect the values and resources of industry and its employees. Although these benefits fall into the qualitative category of a cost benefit analysis, in the long term they can generate quantitative benefits, such as increased revenue for licensees and more jobs for Queenslanders in the hospitality and training industries.

The major benefit associated with the implementation of the proposed conditions is a greater level of protection to the community from alcohol misuse and its consequences. In terms of harm minimisation this is a significant benefit to the vulnerable sector of the community, especially young people. The value in changing the existing drinking patterns of young people, in particular, and thereby reducing excessive and irresponsible consumption, has far-reaching and immeasurable long-term benefits, such as better quality of life and health.

The Government will benefit from the proposed legislative reforms as it will be seen as a strong commitment to managing, protecting and conserving the values and resources, interests and health of the community as well as maintaining industry viability.

The proposed reforms represent a clear, methodical and transparent approach to setting the direction for the minimisation of harm arising from the misuse of liquor with a more flexible regulation of the liquor industry.

The table below summarises the anticipated scale of the costs and benefits to each stakeholder.

Table 24 Anticipated costs and benefits

Stakeholders	Costs (negative)	Benefits (positive)	Net effect
Industry participants			
Licensees (standard hours)	Low to medium	High	High positive
Licensees (late traders)	High	Medium	Medium negative
Community	Nil	High	High positive
Government	Low to nil	High	High positive
Employment	Low	Medium	Medium positive
Consumers	Low to medium	High	Medium positive
New entrants	Low	High	Medium positive

The anticipated costs for the proposed introduction of liquor reforms are generally low with only late-trading premises falling in the medium-high and negative category. Overall the anticipated cost for industry participants as well as for Government is low.

The anticipated benefits are generally high for the majority of industry participants with considerable benefits derived by the community, both in the short and long term. It is anticipated that the benefits of the proposed imposition of the liquor reforms clearly outweigh the costs.



14. *Fundamental legislative principles*

Fundamental legislative principles have been considered. The liquor industry is already highly regulated by statute and the proposed amendments are consistent with the existing regulatory approach which seeks to minimise the potential harm of liquor abuse and misuse on the community as a whole.



15. *National competition policy*

All Australian Governments agreed to the NCP in April 1995. The aim of the NCP reform program is to deliver tangible benefits to all sectors of the community. This is to be achieved by limiting anti-competitive conduct and removing special advantages of Government business activities where it is in the public interest to do so.

While NCP is designed to result in better use of resources and substantial ongoing benefits to the community, the introduction of increased levels of competition will not always deliver the best overall result for the community.

In terms of impacts on competition, the proposed legislative reforms aim to reduce the cost of the misuse and abuse of alcohol to Government. An increased focus on harm minimisation in the regulation of the liquor industry is considered necessary to achieve this cost reduction. The proposed legislative reforms have the potential to increase costs to businesses, reduce the number of market participants and reduce competition. However, an emphasis on harm minimisation provides significant benefits to industry as well as costs, so this shift is unlikely to have an impact on the number of market participants and therefore the impact on competition would be negligible.

From an economy-wide perspective the proposed reform is likely to have an overall positive effect. It will generate employment in the hospitality and training industries thus contributing to the overall economic growth of the State.

In comparison with other alternatives (e.g. option 1 or option 3), the reforms are justified. These measures are considered to ensure that licensees manage their premises and the surrounding environment in a responsible manner, thus significantly contributing to the prevention of alcohol-related harm. The alternative options will not provide the same level of benefit to the public, industry or the Government.

The cost benefit analysis indicates that the proposed legislative reforms generate the best outcomes to the community as a whole.



16. Risk assessment

Without the proposed legislative reforms there is insufficient statutory basis for the prevention or better management of alcohol misuse and abuse and the associated harm that occurs. More importantly, the existing regulatory framework relies on licensees adopting harm minimisation to address the potential cumulative impact of alcohol misuse and abuse and its undesirable consequences.

Failure to introduce the proposed reforms is perceived to adversely affect the community and would fail to address the harm caused in and around licensed premises.

Introducing these legislative reforms will reduce risks for patrons and employees of licensed establishments and protect industry integrity from “rogue” elements.



17. Conclusion

Liquor reform in Queensland is designed to enhance the current liquor legislation framework. The wide range of reforms will benefit both industry and community as they achieve the aim of minimising negative impacts on the community from the sale and supply of liquor.

The objective of the RIS/DPBT is to outline and explain to the community the need for the proposed regulatory reforms and amendments to the Liquor Act and the Liquor Regulation. It also sets out the benefits and costs that could result from amendments, while taking into consideration any potential restrictions on competition in the industry. This document also invites feedback on its contents from stakeholders.

Reforms to the current liquor legislation were developed within a context of wide-ranging discussion around the growing need to minimise the harm from the misuse and abuse of alcohol. Submissions to the review generally accepted a need for effective regulation of the sale and supply of alcohol. There is also an understanding by industry that current application fees do not adequately reflect the costs of the application process and ongoing licence management.

The preferred option (option 2) which supports harm minimisation as the first objective of the legislative framework is in the best interest of the community. This option also achieves red tape reduction.

Option 1 – the status quo – has been eliminated because it does not have harm minimisation as the first object of the Liquor Act, nor would it offer any solutions to the current licence framework which could be updated to reflect the industry's current form.

Option 3 – the higher risk model – would appear to be too costly, require too much legislative change, and be inflexible. Importantly, this option will not achieve the aim of optimum harm minimisation.

This document invites feedback on the following questions:

1. Which option is preferred for each proposal?
2. What direction should Government provide to the community about which liquor products should or should not be sold on the Queensland market?
3. What regulation should Government provide to the liquor industry about the marketing of alcohol?
4. What type of alcoholic products present a danger to the public?
5. How will the banning of products which increase intoxication at a rapid or excessive rate affect industry and the community?

6. How will the banning of products which are inappropriately marketed to minors affect industry and the community?
7. What role should the Government play in limiting the availability of alcohol for consumption during high risk periods for violence and abuse?
8. What will be the impact of Government limiting the late trading hours of industry as a response to evidence of direct harm to the population during that time? Who will be affected positively and who will be affected negatively?
9. To what extent should Government refocus the regulatory regime from licensed premises to include licensed managers of venues?
10. What will be the impact upon industry of Government legislating that all parties engaged in the supply of liquor are trained in the responsible service of alcohol?
11. Who should be held accountable under the Liquor Act if the sale and supply of alcohol is found to be irresponsible? How far should this accountability extend?
12. What will be the impact of a licence type restructure that allows flexibility and simplicity?
13. What is the impact on industry of licences being assessed for fees according to the risk they pose to the safety and amenity of the community?
14. To what extent will industry and community be affected if liquor licensees are required to pay for the regulation of their industry?
15. What level of cost should be borne by licensees to account for the risk they pose to the community and the alcohol-related costs incurred by Government?
16. To what degree should accords be administered through legislation?
17. Which elements of accords should be recognised? Should the legislation define membership, acceptable practices, or stakeholders an accord should include?

Feedback on any other aspect of the proposals beyond these questions is also welcome.

Written submissions including any quantitative information to assist the assessment of the impact of the proposals should be addressed to:

RIS/DPBT Response
Liquor Licensing Division
Queensland Treasury
GPO Box 1141
Brisbane QLD 4001

or e-mailed to: liquor_reform@dtftwid.qld.gov.au

An electronic copy should accompany printed submissions.

Submissions must be received no later than **13 March 2008**.



Appendix 1

SUMMARY OF TRADING HOURS ACROSS AUSTRALIAN JURISDICTIONS (as at 21 November 2007)

	General/hotel	Cabaret/ nightclub	On-premises meals	Club	Extended hours (see next page)
QLD	10am-12am	10am-3am	10am-12am	10am-12am	Yes
NSW	5am-12am Mon-Sat 10am-10pm Sunday	12pm-3am	12pm-12am Mon-Sat 12pm-10pm Sunday	Set by court	Yes
VIC	7am-11pm Mon-Sat 10am-11pm Sunday	Refer general	7am-11pm Mon-Sat 10am-11pm Sunday	Any time Mon-Sat 10am-11pm Sunday	Yes
WA	6am-12am Mon-Sat 10am-10pm Sunday	6pm-5am Mon-Thurs 6pm-6am Friday & Sat 8pm-12am Sunday	Any time ancillary to a meal	6am-12am Mon-Thurs 6am-12.30am Friday 6am-1am Saturday 10am-10pm Sunday	Yes
SA	5am-12am Mon-Sat 11am-8pm Sunday	9pm-12am Mon-Sat 11am – 8pm Sunday	Any time ancillary to a meal	5am-12am Mon-Sat 11am-8pm Sunday	Yes
TAS	5am-12am	5am-12am	5am-12am	5am-12am	Yes
NT	7am-4am	7am-4am	7am-4am	7am-4am	Yes
ACT	7am-4am	Refer general	7am-4am	7am-4am	Yes

SUMMARY OF EXTENDED TRADING HOURS ACROSS AUSTRALIAN JURISDICTIONS

	Extended hours permit available
QLD	<p>General, club and on-premises (meals) licences – the Chief Executive may approve extended hours before 10am or after 12am</p> <p>Cabaret licence - the Chief Executive may approve extended hours before 10am or after 3am</p> <p>NOTE: In practice, extension of trading hours does not go beyond 5am.</p>
NSW	<p>Hotel and club licences (many nightclubs are operated under these licence categories) can apply for extended hours 12am-5am Mon-Sat (allows for 24-hour trading Mon-Sat).</p> <p>Hotel and club licences operating in Sydney CBD, Kings Cross, and Oxford St in Darlinghurst can apply for 24-hour trading 7 days per week.</p> <p>Nightclub licences in Sydney metropolitan area are not permitted extensions of trading hours beyond 3am.</p> <p>In 1989, amendments to the NSW Liquor Act (1982) allowed licensees to apply for 24-hour trading permits, with applicants being favoured over the community. Of the approximately 2000 liquor licences in NSW, more than 600 have approval for 24-hour trading. However, in practice, there are approximately 15-20 licensed premises that trade 24 hours. Licensees do not have to advise the Office of Liquor, Gaming and Racing whether they use their 24-hour permit so numbers are anecdotal or based on experience. In the mid-1990s, when NSW amended their liquor act, they reversed the application of this section to weight favour towards the community. Those premises that do trade are concentrated in high population, entertainment precincts such as Kings Cross, Darlinghurst, the Manly Corso, Newcastle and Wollongong.</p> <p>NOTE: Liquor reforms recently passed by the NSW Parliament have removed the category of night club licence, and created a new class of licence (on-premises) for motels, restaurants, nightclub-type venues offering entertainment and theatres. The reforms did not increase or decrease trading hours but will introduce tools allowing the reduction in trading hours where there are problems with a licensee.</p>
VIC	<p>Additional hours may be applied for. 11pm-1am and 1am-7am Mon-Sat (allows for 24-hour trading Mon-Sat) and 11pm-1am and 1am-7am and 7am-10am Sunday (allows for 24-hour trading Sunday).</p> <p>There are approximately 130 premises in Victoria with approval to trade 24 hours, 40 in Melbourne CBD, two in rural Victoria and the remainder in metropolitan Melbourne.</p>
WA	<p>Licensees may apply for on-going extended hours requesting permission to trade beyond the standard trading hours. In practice, no extended hours permit has granted greater than 3 hours extension beyond standard hours. Nightclubs are already permitted to trade to 5am Monday to Thursday and 6am Friday and Saturday so do not apply for extensions beyond that. In general, hotels trade 2 hours beyond the standard hours, closing by 2am, and nightclubs utilise their full trading hours. These extended hours premises tend to be located in entertainment precincts.</p>

***SUMMARY OF EXTENDED TRADING HOURS ACROSS AUSTRALIAN JURISDICTIONS
continued***

	Extended Hours Permit Available
SA	<p>Hotel licences may apply for extended trading from 12am to 5am Mon-Sat and between 8am and 11am and 8pm and 12am Sunday (allows for 24-hour trading Mon-Sat)</p> <p>Entertainment licences may apply for extended trading from 12am to 5am Mon-Sat and between 8am and 11am and 8pm and 5am Sunday.</p> <p>Club licences may apply for extended trading from 12am to 5am Mon-Sat and between 8am and 11am and 8pm and 12am Sunday (allows for 24-hour trading Mon-Sat)</p> <p>Restaurant Licences may apply for Extended Trading (without a meal) from 12am to 5am Mon-Sat and between 8am and 11am and 8pm and 12am Sunday (allows for 24-hour trading Mon-Sat)</p> <p>While licensed venues are able to trade for 24 hours Monday-Saturday, there is a significant number who close at 12am.</p> <p>Licences with gaming must have a compulsory closing break of 6 hours.</p> <p>There is a great variety in the closing times of premises. Nightclubs, particularly in Adelaide city, tend to trade until 5am, and there would be at least 30 nightclub venues across the state trading until 5am. In other venues, closing times vary between the hours of 1am and 4am.</p>
TAS	<p>Licensees may apply for an out of hours permit to trade between 12am and 5am (allows for 24-hour trading).</p> <p>Many extended hours permits granted are for hotels, to provide the flexibility for when there is a large number of patrons still at the premises at midnight closing time. Venues use their extended permits allowing trade to 1am or 2am so they may continue to serve patrons on these occasions. There are 40-50 such venues in Tasmania.</p> <p>Nightclubs that have extended hours permits tend to close by 5am or 6am. In Hobart there would be four or five venues, and two to three in Launceston.</p>
NT	<p>Extensions may be granted to trade until 2am or 4am. Trading hours vary considerably across the Northern Territory.</p>
ACT	<p>Extended hours trading with notification provided to registrar.</p> <p>General, on-licence and club licences 12am-5am and 8am-12am.</p>

Information included in the Extended Hours Trading section has been obtained from the websites of each jurisdiction. Additional notes on what hours are utilised in practice, come from staff in each jurisdiction's liquor licensing office.



Appendix 2

TERMS OF REFERENCE FOR LEGISLATION REVIEW IN ACCORDANCE WITH QUEENSLAND'S PUBLIC BENEFIT TEST GUIDELINES

1. A review of the restrictions on competition in the *Liquor Act 1992* is required to comply with the *Competition Principles Agreement* which Queensland recommitted to under the National Reform Agenda. The review will be undertaken in accordance with Queensland's *Public Benefit Test Guidelines* and will examine restrictions on competition including/comprising a ministerial banning power on undesirable liquor products; mandatory Responsible Service of Alcohol and Responsible Management of a Licensed Venue training; a change to trading hours; legislative support for liquor accords; a licence type and fee restructure; and the introduction of a manager's licence.
2. The guiding principle is that legislation (including Acts, enactments, ordinances or regulations) should not restrict competition unless it can be demonstrated that:
 - (a) the benefits of the restriction to the community as a whole outweigh the costs; and
 - (b) the objectives of the legislation can only be achieved by restricting competition.
3. Without limiting the terms of reference of the review, the review should:
 - (a) clarify the objectives of the legislation;
 - (b) identify the nature of the restriction on competition;
 - (c) analyse the likely effect of the restriction on competition and on the economy generally;
 - (d) assess and balance the costs and benefits of the restriction; and
 - (e) consider alternative means for achieving the same result including non-legislative approaches.
4. Without limiting the matters that may be taken into account, the following matters shall, where relevant, be taken into account:
 - (a) Government legislation and policies relating to ecologically sustainable development;
 - (b) social welfare and equity considerations, including community service obligations;
 - (c) Government legislation and policies relating to matters such as occupational health and safety, industrial relations and access and equity;
 - (d) economic and regional development, including employment and investment growth;
 - (e) the interests of consumers generally or of a class of consumers⁵⁴;
 - (f) the competitiveness of Australian businesses; and
 - (g) the efficient allocation of resources.
5. Particular matters to be examined are the interests of consumers generally and the competitiveness of Australian businesses.
6. The review should examine whether similar regulatory schemes exist in other jurisdictions and report on any similarities and differences.
7. Consultation should occur with interested parties and the general public, as appropriate.
8. A review report should be presented to the Treasurer by 21 March 2008.

⁵⁴ In November 2000, CoAG determined that when examining matters, governments should give consideration to explicitly identifying the likely impact of reform measures on specific industry sectors and communities, including expected costs in adjusting to change.



Appendix 3

IMPACT MATRIX

Anticipated level of impact on the relevant stakeholders generated by the proposed amendments to the Liquor Act and the subordinate legislation

Ministerial banning power		
PROPOSED OPTIONS	POSITIVE IMPACTS – ACT and SUBORDINATE LEGISLATION	NEGATIVE IMPACTS – ACT and SUBORDINATE LEGISLATION
Option 1 – Maintain the status quo	<ul style="list-style-type: none"> • Potential commercial advantage for a very small minority of producers and retailers who choose to sell ‘novelty’ liquor products • No increased costs for Government in administering bans and appeals • Maximises consumer choice 	<ul style="list-style-type: none"> • No ability for the Minister to quickly ban an undesirable liquor product and minimise social harm, especially for vulnerable youth • No level playing field for those retailers who choose not to stock an undesirable liquor product
Option 2 – Preferred option Harm minimisation framework Amend the Liquor Act to include the power for the Minister to make an order to prevent the sale of “undesirable” liquor products	<ul style="list-style-type: none"> • Ability to protect vulnerable youth who may be attracted to ‘novelty’ liquor products • Aligns strongly with harm minimisation objective of the Liquor Act, particularly vulnerable youth • Consistency in standards and a level playing field for all producers and retailers 	<ul style="list-style-type: none"> • No commercial advantage for producers or retailers who may want to sell ‘novelty’ liquor products • Increased costs for Government in administering bans and appeals • Decrease in consumer choice • Possible decline in profits
Option 3 – Higher risk model Restriction as an alternative to banning	<ul style="list-style-type: none"> • Limited commercial advantage for a small minority of producers and retailers not affected by the restriction who choose to sell ‘novelty’ liquor products 	<ul style="list-style-type: none"> • Difficult to enforce the restriction intended to protect vulnerable youth when the product still remains available for sale • Will not send a clear message to vulnerable young people that ‘novelty’ liquor products are dangerous • Will not align strongly with the harm minimisation objective of the Liquor Act

Responsible service and management training		
PROPOSED OPTIONS	POSITIVE IMPACTS – ACT and SUBORDINATE LEGISLATION	NEGATIVE IMPACTS – ACT and SUBORDINATE LEGISLATION
Option 1 – Maintain the status quo	<ul style="list-style-type: none"> Industry already provides some RSA and RMLV training 	<ul style="list-style-type: none"> No improvement in the incidences of underage drinking or misuse of alcohol in licensed premises which employ untrained staff Potential for litigation for licensees who do not have an RSA/RMLV framework
Option 2 – Preferred option Harm minimisation Framework Mandatory RSA training regardless of trading hours and RMLV training for all licensees, nominees and/or managers	<ul style="list-style-type: none"> Aligns strongly with harm minimisation objective of the Liquor Act, particularly goal of responsible service Consistency in standards and a level playing field for all producers and retailers Increased skills and professionalism of the liquor industry workforce 	<ul style="list-style-type: none"> Potential minimal training costs for employees who will need to undertake the RSA and RMLV courses. Most licensees currently meet trainee costs or subsidise training (RSA is offered for between \$50-\$80, and RMLV for \$500-\$600) Minimal initial financial impact for trainers; costs should be readily absorbed over time
Option 3 – Higher risk model Limit RSA training to late traders Statewide	<ul style="list-style-type: none"> Aligns with harm minimisation objective in a limited way Limited increase in skills and professionalism of the liquor industry workforce 	<ul style="list-style-type: none"> No improvement in the incidences of underage drinking or misuse of alcohol in licensed premises which employ untrained staff No consistency in standards and no level playing field for all producers and retailers Potential for litigation for licensees who do not have an RSA/RMLV framework

Trading hours		
PROPOSED OPTIONS	POSITIVE IMPACTS – ACT and SUBORDINATE LEGISLATION	NEGATIVE IMPACTS – ACT and SUBORDINATE LEGISLATION
Option 1 – Maintain the status quo	<ul style="list-style-type: none"> Licensees and nominees are familiar with the current system 	<ul style="list-style-type: none"> A continuing rise in levels of binge drinking A continuing higher rate of violence at licensed premises and entertainment precincts Does not allow for the simplification of licensing that the reforms are seeking. No red tape reduction
Option 2 – Preferred option Harm minimisation Framework 10am-12am standard trading hours 12am-3am limited trading 3am-5am limited trading 5am-7am no trading permitted 7am-10am limited trading, no general trading	<ul style="list-style-type: none"> Aligns strongly with harm minimisation objective of the Liquor Act, particularly in relation to reducing youth violence Will create a level playing field for all licence types Potential lower call-out rate for QPS and Department of Emergency Services Aligns with red tape reduction as the changes will be simpler and easier to administer 	<ul style="list-style-type: none"> There is a risk that the minority of licensees who presently trade until 5am may oppose a restriction in their trading hours due to potential financial loss from reduced trading hours. However, financial benefits of minimised harm may offset this in the long term Consumer utility
Option 3 – Higher risk model Partial adjustment to trading hours	<ul style="list-style-type: none"> No restriction on the business of licensed venues 	<ul style="list-style-type: none"> Conflicts with the harm minimisation objective of the Liquor Act Continuing rise in levels of binge drinking Continuing high rate of violence at licensed premises and entertainment precincts

Manager's licence		
PROPOSED OPTIONS	POSITIVE IMPACTS – ACT and SUBORDINATE LEGISLATION	NEGATIVE IMPACTS – ACT and SUBORDINATE LEGISLATION
Option 1 – Maintain the status quo	<ul style="list-style-type: none"> • Licensees are familiar with the current system 	<ul style="list-style-type: none"> • Licensees who fail to provide a comprehensive and ongoing training program for managers increase the risk for violations • Current identified lack of accountability of venue nominee when disciplinary action is required will not be addressed
Option 2 – Preferred option Harm Minimisation Framework Every premises must have someone with a manager's licence reasonably available and on site post 12am	<ul style="list-style-type: none"> • Creates greater accountability, professionalism and flexibility in management across all of Queensland's licensed venues • Consistency in standards and a level playing field for all producers and retailers • Increased skills and professionalism of the liquor industry management workforce • Addresses current lack of accountability of venue nominee when disciplinary action is required • Aligns strongly with harm minimisation objective of the Liquor Act, particularly in relation to reducing licence breaches 	<ul style="list-style-type: none"> • Processes for awarding manager's licence will need to be developed • Potential minimal training costs for managers who will need to undertake the RMLV courses. Most licensees currently meet trainee costs or subsidise training • Prices may increase
Option 3 – Higher risk model A manager's licence is required only for venues with post 12am trading	<ul style="list-style-type: none"> • Limited improvement in accountability and professionalism in Queensland's licensed venues 	<ul style="list-style-type: none"> • Current lack of accountability of venue nominee when disciplinary action is required will not be addressed • Does not achieve red tape reduction • Limited active strategies for harm minimisation for the community

Licence type restructure		
PROPOSED OPTIONS	POSITIVE IMPACTS – ACT and SUBORDINATE LEGISLATION	NEGATIVE IMPACTS – ACT and SUBORDINATE LEGISLATION
Option 1 – Maintain the status quo	<ul style="list-style-type: none"> • Avoids the task of reclassifying all existing licence types • Licences are perpetual unless cancelled or surrendered 	<ul style="list-style-type: none"> • No long term red tape reduction • Licensees would continue to rely on liquor consultants and lawyers to explain the complexity of the system, creating a greater financial impost on the industry • No improved system for potential innovative businesses • Local councils will continue to be able to hold general licences
Option 2 – Preferred option Harm minimisation framework Licence type restructure - a simple and flexible red tape reduction model	<ul style="list-style-type: none"> • Red tape reduction in the long term as it simplifies the licensing system • Improvement for innovative businesses • Licensees may not be so reliant on liquor consultants and lawyers to explain the complexity of the system, reducing their costs • Local councils will no longer be able to hold general licences 	<ul style="list-style-type: none"> • Licensees may be resistant to change as they are accustomed to the current system
Option 3 – Higher risk model Licence type restructure based on location of premises	<ul style="list-style-type: none"> • Reduces red tape in the short term by streamlining premises under two main categories 	<ul style="list-style-type: none"> • Licensees may be resistant to change as they are accustomed to the current system • Face value simplicity does not provide for the current complexities and future development of industry • Consequential amendments would need to be made to the <i>Tobacco and Other Smoking Products Act 1998</i> and the <i>Liquor Act 1992</i>

Licence fees restructure		
PROPOSED OPTIONS	POSITIVE IMPACTS – ACT and SUBORDINATE LEGISLATION	NEGATIVE IMPACTS – ACT and SUBORDINATE LEGISLATION
Option 1 – Maintain the status quo	<ul style="list-style-type: none"> • Avoids the task of reclassifying all existing licence fees • No licensees will incur any increased costs • No potential loss of employment 	<ul style="list-style-type: none"> • Lack of ongoing funding for the Government • No active strategies for harm minimisation for the community
Option 2 – Preferred option Harm minimisation framework Licence fee restructure - based on risk and partial cost recovery	<ul style="list-style-type: none"> • Increased revenue for Government • Aligns strongly with harm minimisation objective of the Liquor Act, providing incentives for licensees to stay or become 'low risk' venues • May be increased revenue for 'low risk' outlets as 'high risk' venues increase prices 	<ul style="list-style-type: none"> • Lower industry profitability may pose a threat to the viability of some licensees with a resultant loss in asset value and owner's equity • Some potential licensees may be dissuaded from entering the market reducing competition • Possible reduction in employment if output falls significantly
Option 3 – Higher risk model Licence fee restructure - based on risk, direct and indirect cost recovery	<ul style="list-style-type: none"> • Increased revenue for Government • Aligns with harm minimisation objective of the Liquor Act, providing incentives for licensees to stay or become 'low risk' venues 	<ul style="list-style-type: none"> • Substantial fee increases will be passed on in the form of higher alcohol prices, some alcohol consumers will be worse off. The extent of the impact will depend on the extent of the passthrough and the demand response by consumers. Consumers in high risk establishments will be impacted most heavily. This may result in a change in consumption behaviour • Lower industry profitability may pose a threat to the viability of some licensees with a resultant loss in asset value and owner's equity • Some potential licensees may be dissuaded from entering the market reducing competition • Reduction in employment if output falls significantly

Liquor accord legislation		
PROPOSED OPTIONS	POSITIVE IMPACTS – ACT and SUBORDINATE LEGISLATION	NEGATIVE IMPACTS – ACT and SUBORDINATE LEGISLATION
Option 1 – Maintain the status quo	<ul style="list-style-type: none"> • Accords, in their initial stages, have been popular and successful • Provide opportunities for licensees to access training and information to improve their operations 	<ul style="list-style-type: none"> • Momentum for accords may not be sustained if Government is not seen to be providing legislative recognition • Effectiveness compromised by new licensees not willing to participate in an agreement • Little or no incentive for licensees to uphold the accord or introduce initiatives outside their statutory obligations
Option 2 – Preferred option Harm minimisation framework Amend the Liquor Act to include recognition of liquor accords, with participation potentially linked to licence conditions	<ul style="list-style-type: none"> • Legislation could offer certainty as to the nature of accords and the responsibilities of those who are part of them • Provide a mechanism for licensees to be accountable for patron behaviour outside their venues, and for licensees to proactively contribute to addressing related issues • Empowers the Chief Executive to impose conditions where a recalcitrant licensee is reluctant to co-operate with an approved liquor accord 	<ul style="list-style-type: none"> • Some licensees may object to accord conditions being placed on their licence conditions
Option 3 – Higher risk model Legislate for accords with an option to impose their licence conditions on other licensees	<ul style="list-style-type: none"> • Legislation could offer certainty as to the nature of accords and the responsibilities of those who are part of them • Provide opportunities for licensees to access training and information to improve their operations 	<ul style="list-style-type: none"> • All licensees might not support or join an accord • Little or no incentive for licensees to uphold the accord or introduce initiatives outside their statutory obligations • Accords may be undermined by licensees who favour increased profit over joining local solutions to alcohol-related problems



Appendix 4

GLOSSARY OF TERMS

Term	Description
3am lockout	The statutory state-wide lockout works by prohibiting licensed venues from allowing any patrons to enter or re-enter their premises after 3am.
Australian Alcohol Guidelines NHMRC	The National Health and Medical Research Guidelines can be found at http://www.nhmrc.gov.au
BCSAP	See Brisbane City Safety Action Plan.
Brisbane City Safety Action Plan	Released in March 2005 the 17-point <i>Brisbane City Safety Action Plan</i> can be located at http://www.liquor.qld.gov.au/Licensees/17-point+Brisbane+City+Safety+Action+Plan
CA	Cabarets Association.
CBD	Central Business District.
CCTV	Closed Circuit Television.
CQ	Clubs Queensland.
Designated Outdoor Smoking Area	See section 26ZA of the <i>Tobacco and Other Smoking Products Act 1998</i> .
DOSA	See Designated Outdoor Smoking Area.
Fair Trading Act 1989	A Queensland Act of Parliament that aims to provide for an equitable, competitive, informed and safe market place. The Act can be located at www.legislation.qld.gov.au .
Financial Management Standards 1997	The <i>Financial Management Standard 1997</i> is available at www.legislation.qld.gov.au .
Finding the Balance: Queensland Alcohol Action Plan 2003/2004 to 2006/2007	<i>Finding the Balance: Queensland Alcohol Action Plan 2003/2004 to 2006/2007</i> can be found at http://www.health.qld.gov.au/atods/publications.asp .
Fit and proper	The matters the Chief Executive must have regard to in determining licence applications are contained within section 107 of the <i>Liquor Act 1992</i> and include: knowledge and understanding of obligations; be a person of good repute; and demonstrates a responsible attitude to management.
Gaming Machine Act 1991	A Queensland Act of Parliament that regulates the gaming machine industry. The Act can be located at www.legislation.qld.gov.au .
GST	Goods and Services Tax.
Inquiry into Strategies to Reduce Harmful Alcohol Consumption – Final Report (2006)	This report is available at www.parliament.vic.gov.au/ .
Liquor Accords	Liquor Accords are a co-operative approach to local liquor-related issues in local areas. For further information on liquor accords see http://www.liquor.qld.gov.au/Accords .

Term	Description
<i>Liquor Act 1992</i>	A Queensland Act of Parliament that regulates the liquor industry. The Act can be located at www.legislation.qld.gov.au .
Liquor Industry Consultative Forum	A working partnership between Government, business and the community to develop meaningful industry regulation within the objectives of the <i>Liquor Act 1992</i> .
Liquor Licensing Division	The Division of Queensland Treasury responsible for the regulation of the liquor industry. Further information about the Liquor Licensing Division can be found at http://www.liquor.qld.gov.au/ .
Liquor Reform in Queensland position paper	The Queensland Government's position paper on Liquor Reform in Queensland was released on 2 December 2007 and can be located at http://www.liquor.qld.gov.au/Liquor+Act+Review/Liquor+Reform+in+Queensland .
<i>Liquor Regulation 2002</i>	The Regulation is subordinate legislation, the making of which is authorised by the <i>Liquor Act 1992</i> . The Regulation can be located at www.legislation.qld.gov.au .
Machinery of government	It is the Premier's responsibility to determine portfolio responsibilities. Further information can be found at http://www.premiers.qld.gov.au/policy/machinerygovt/ .
National Alcohol Strategy 2006-2009	The <i>National Alcohol Strategy 2006-2009</i> can be located at http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/publishing.nsf/Content/publications-alcohol .
National Competition Policy	All Australian Governments agreed to the NCP in April 1995. The aim of the NCP reform program is to deliver tangible benefits to all sectors of the community. This is to be achieved by limiting anti-competitive conduct and removing special advantages of Government business activities where it is in the public interest to do so.
National Drug Strategy 2004-2009	The National Drug Strategy can be found at http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/publishing.nsf/Content/framework0409 .
NCP	See National Competition Policy.
Office of Fair Trading	The office responsible for administering the <i>Fair Trading Act 1989</i> .
Office of State Revenue	The Office of State Revenue is a portfolio office of Queensland Treasury responsible for the delivery and administration of simple, efficient and equitable revenue management services for State taxes and grant and subsidy schemes. Further information about the Office of State Revenue can be found at www.osr.qld.gov.au/ .
OFT	Office of Fair Trading.
QHA	The Queensland Hotels Association.
Queensland Drug Strategy 2006-2010	The <i>Queensland Drug Strategy 2006-2010</i> can be located at http://www.health.qld.gov.au/atods/publications.asp .
Queensland Office of Gaming Regulation	The Division of Queensland Treasury responsible for maintaining the integrity and probity of the gambling industry in Queensland. Further information about the Queensland Office of Gaming Regulation can be found at http://www.qogr.qld.gov.au/ .

Term	Description
RCQ	Restaurant and Catering Queensland.
Regulatory Impact Statement	Under the SI Act, if a proposed regulation is likely to impose appreciable costs on the community or part of the community, a Regulatory Impact Statement (RIS) must be prepared before the regulation is made.
Responsible Management of Licensed Venues	All applicants for liquor licences (including new licences, transfers of licence or change of nominee) <i>must</i> undertake a two-day training course focussing on liquor laws and best practices in venue management. For further information see http://www.liquor.qld.gov.au/Licensees/RSA+and+RMLV+Training/RMLV+Training .
Responsible Service of Alcohol	Information about the Responsible Service of Alcohol training can be found at http://www.liquor.qld.gov.au/Licensees/RSA+and+RMLV+Training/RSA+and+RMLV+Training .
Review of the <i>Liquor Act 1992</i> (Discussion Paper)	A Discussion Paper released for public comment in April 2006.
RIS	See Regulatory Impact Statement.
RMLV	See Responsible Management of Licensed Venues.
RSA	See Responsible Service of Alcohol.
RTO	Registered Training Organisation.
Safe Youth Parties Taskforce	The <i>Safe Youth Parties Taskforce</i> prepared a report into out-of-control youth parties in Queensland for the Minister for Police and Corrective Services. The report, <i>Safe Celebrations</i> , can be located at www.police.qld.gov.au/Resources/Internet/services/reportsPublications/documents/Safe%20Celebrations.pdf .
SI Act	See <i>Statutory Instruments Act 1992</i> .
SSAP	See State-wide Safety Action Plan.
State-wide Safety Action Plan	In April 2006 Premier Peter Beattie and the former Minister for liquor licensing Minister Margaret Keech announced the rollout of a State-wide strategy to boost public safety in and around pubs and clubs. Information about the State-wide Safety Action Plan can be located at http://www.liquor.qld.gov.au/Media/Releases/Statewide+Safety+Action+Plan .
<i>Statutory Instruments Act 1992</i>	This is a Queensland Act of Parliament which facilitates the interpretation of and improvement to statutory instruments and ensures subordinate legislation is of the highest standard. It can be located at www.legislation.qld.gov.au .
The Division	See Liquor Licensing Division.
The Taskforce	The Youth Violence Taskforce.
<i>Tobacco and Other Smoking Products Act 1998</i>	The <i>Tobacco and Other Smoking Products Act 1998</i> is available at www.legislation.qld.gov.au .
Youth Violence Taskforce	The Youth Violence Taskforce was set up by the Beattie Government in late 2006 to examine ways to reduce incidents of violent behaviour among young Queenslanders.

ENDNOTES

- 1 Laid before the Legislative Assembly on . . .
- 2 The administering agency is the Treasury Department.

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