RETAIL DRINKS AUSTRALIA

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JUSTICE (COVID-19 EMERGENCY RESPONSE – PERMANENCY) AMENDMENT BILL 2021

06 OCTOBER 2021

ENHANCING THE FREEDOM TO RETAIL RESPONSIBLY





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05 October 2021

Committee Secretary State Development and Regional Industries Committee Parliament House BRISBANE QLD 4000

Via email: <u>SDRIC@parliament.qld.gov.au</u>

SUBMISSION: JUSTICE (COVID-19 EMERGENCY RESPONSE – PERMANENCY) AMENDMENT BILL 2021

Dear Committee Secretary,

On behalf of Retail Drinks Australia (**Retail Drinks**), we appreciate the opportunity to provide feedback in response to the *Justice Legislation (COVID-19 Emergency Response – Permanency) Amendment Bill 2021* (**the Bill**) as introduced in the Queensland Parliament on 15 September 2021.

Prior to the introduction of the Bill in the Parliament, Retail Drinks provided a comprehensive written submission in response to the Exposure Draft. Whilst we are pleased that several of our recommendations have been adopted in the latest version of the Bill, there are still several elements of the current Bill which we would like to provide additional feedback.

Retail Drinks remains opposed to the extension of packaged liquor retailing to subsidiary on-premises licences in any capacity. We note that the takeaway authorisation measures originally introduced by the Queensland Government at the height of the COVID-19 pandemic were only ever intended to be temporary in order to support struggling on-premises licence (restaurants and cafés) during various lockdown and stay-at home measures.

We note that the policy intent of the proposal, as per the current version of the Bill, is entirely inconsistent with this objective and will significantly disadvantage existing liquor retail outlets.

As raised in our submission to the Exposure Draft, the permanent extension of packaged liquor retailing to subsidiary on-premises licence types will result in an almost 400 per cent increase in the number of businesses able to permanently sell takeaway alcohol or an additional 4,217 businesses being able to permanently sell takeaway alcohol. We note that our position on this issue is consistent with a number of other industry stakeholders, as well as health and community groups.

In light of the unintended policy consequences of this proposal and significant impact on existing liquor retailers in saturating the market with additional liquor retail business, <u>we recommend that the Bill not be passed unless this</u> <u>section of the Bill is entirely removed.</u>

We would point out the current inconsistency of this proposal with the National Health and Medical Research Council's (**NHMRC**) Alcohol Consumption Guidelines and existing legislation in all other Australian states and territories which is detailed overleaf.



Submission No 009

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INCONSISTENCY WITH NHMRC GUIDELINES:

Should this element of the Bill be retained, we believe that further amendment is necessary to ensure avoiding an uneven playing field between existing liquor retailers and subsidiary on-premises licence types. We would firstly highlight the quantity limits included in the Bill allowing subsidiary on-premises licences to sell 1.5 litres of wine (i.e. two bottles) with a takeaway meal up to 10:00pm.

These limits, whilst reduced from 2.25 litres as proposed within this Exposure Draft, are still inconsistent with the Alcohol Consumption Guidelines as set by the Federal Government's NHMRC.

The NHMRC Guidelines clearly recommend "to reduce the risk of harm from alcohol-related disease or injury, healthy men and women should drink no more than 10 standard drinks a week and no more than 4 standard drinks on any one day."¹

In purchasing two bottles of wine a takeaway meal, the consumption guideline for an entire week could be exceeded in one sitting alone. We note that this proposition differs significantly to that of a bricks and mortar liquor retailer who does not necessarily sell alcohol ancillary to a meal, rather for a broader range of purposes including celebrations, events and cellaring.

DIFFICULTIES IN ENFORCEMENT AND COMPLIANCE:

Regardless of the quantity limits attached to this proposal, Retail Drinks would highlight the fact that there has been no indication as to how these provisions of the Bill will be enforced amongst on-premises licensees. Given that there will be over 4,200 additional businesses who will be able to conduct takeaway liquor sales, a corresponding increase in resources will be required in order to ensure that these businesses are compliant with the law.

We note the Bill attaches an application process and accompanying fee to this provision. Retail Drinks contends that funds derived from on-premises licensees as part of this application process should be used to fund additional resources for the Office of Liquor and Gaming Regulation (**OLGR**) to ensure compliance with this legislation.

Retail Drinks is also concerned at the increased compliance risk and potential harm to the community resulting from the exponential increase of non-traditional 'liquor retailers', who lack the regulatory experience and knowledge.

INTERJURISDICTIONAL INCONSISTENCY:

In addition to being broadly inconsistent with the NHMRC Guidelines and creating issues with compliance and enforcement, we also note that no other Australian state or territory has legislated the permanent extension of takeaway alcohol sales to on-premises licence types, meaning that, should this Bill be passed, Queensland would be out of step with every other jurisdiction in the country.

Several jurisdictions such as Western Australia, Tasmania and the Northern Territory have ceased takeaway alcohol sales by on-premises licences with the expiration of their respective COVID-19 Emergency Powers.

¹ <u>https://www.nhmrc.gov.au/health-advice/alcohol</u>



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Whilst these jurisdictions have already reverted to pre-COVID settings, we note that legislation has been introduced into the South Australian Parliament to permanently extend liquor retailing to on-premises licences. This legislation however has been subject to significant opposition from stakeholders which resulted in the Bill having already been withdrawn from the Parliament once previously.

In New South Wales, the State Government has commissioned economic modelling by the Centre for International Economics (**CIE**) to ascertain whether such a proposal would generate any economic benefit. We note that no such modelling or research has been undertaken by the Queensland Government and the results of the NSW study are yet to be released publicly.

In Victoria, there is currently legislation in the State Parliament which would extend takeaway alcohol sales to café and restaurant licences, however with stricter quantity limits than what has been proposed in the Queensland Bill.

As noted in the <u>Liquor Control Reform Amendment Bill 2021</u> "the condition that the supply of liquor to a person for a takeaway adult meal or delivery adult meal must not be more than 750 millilitres capacity in the case of 30 wine or six containers of not more than 375 millilitres capacity each in the case of beer, cider or pre-mixed spirits".²

With respect to wine, the Victorian legislation proposes quantity limits which are exactly half of what has been included in the Queensland Bill. During the Victorian Government's consultation process on its legislation, these quantity limits were halved in the final version of the Bill, in recognition of the significant discrepancy with the NHMRC Guidelines and in response to stakeholder feedback.

In the event that the Queensland Government proceeds with this Section of the Bill to permanently allow takeaway liquor retailing, <u>we would argue that an identical wording to the Victorian legislation be adopted</u> for the purpose of ensuring interjurisdictional consistency.

Sincerely,

Michael Waters Chief Executive Officer

² https://www.legislation.vic.gov.au/bills/liquor-control-reform-amendment-bill-2021

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