
From: [REDACTED]
Sent: Wednesday, 6 October 2021 6:49 AM
To: State Development and Regional Industries Committee; David Kitchen; Scenic Rim Electorate Office
Subject: Justice Legislation (COVID-19 Emergency Response — Permanency Amendment Bill 2021)
Attachments: Independent_Brewers_Association_Justice_Legislation_COVID_19_Emergency_Response_Permanency_Amendment_Bill_October_2021.pdf

I would like to make the Committee aware that I oppose the above mentioned Bill. I consider myself to be a Craft Brewer and Small Business owner operating in the Hospitality and Tourism Sector. I am certainly not a wordsmith and have attached the IBA response which I fully support. The impact of Covid and the changing of the laws to allow take-away alcohol was a very smart and helpful change that was appreciated by many. To change this legislation now is a backward step.

The loss of income caused by Covid still has to be recouped and business is now being run differently and needs as many avenues as possible to bring back the income levels required. I also oppose the legislation in its current form as it is not equitable and further entrenches the businesses that currently have a near monopoly on take-away sales while once again failing to provide the craft beer industry in Queensland with greater market access.

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Mike Webster

Director & Head Brewer

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5 October 2021

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Independent Brewers Association response to the Justice Legislation (COVID-19 Emergency Response — Permanency) Amendment Bill 2021).

The Independent Brewers Association (IBA) is the peak national industry body representing Australia's 600 independent brewers, 65% of these being small businesses based in regional and rural Australia.

Australia's 600+ independent brewers contribute an estimated \$1.93 billion in economic output to the Australian economy and employ 6,891 people, representing 51% of all employment in the brewing industry.

For every direct job in the brewing industry, a further 3.8 jobs are created in associated industries such as agriculture, logistics, manufacturing, hospitality and services. This means that the independent brewing industry is responsible for supporting over 33,000 jobs reflecting its significance to the Australian economy.

In Queensland, our contribution to the economy is (conservatively) \$256 million supporting 4,413 jobs. We also envisage this to increase over time as our partnership with State Government strengthens via the delivery of the *Queensland Craft Brewing Strategy*.

In response to your enquiry, we would offer the following commentary:

Independent brewers in Queensland were grateful for the Bill that was introduced in May 2020, which allowed venues to temporarily sell takeaway liquor regardless of the limitations of their licence or permit. This provided a much-needed distribution channel during what was a very challenging time for small business in the state.

The Bill that would make part of this arrangement permanent was also a welcome relief up until the point we realised our feedback on the draft proposals had been disregarded and the sale of a limited amount of beer under these same arrangements would no longer be possible.

As the industry representative body, we have several concerns with the proposed amendments:

High ABV Content

To quote the Bill:

“Having regard to concerns raised by stakeholders, amendments in the Bill provide for greater regulatory oversight and responsible service of alcohol practices. These include: Removal of beer and pre-mixed alcoholic drinks – given some beer and pre-mixed alcoholic drinks with spirits have a very high percentage of alcohol by volume, therefore posing a greater risk of adverse intoxication, these types of liquor will not be able to be sold for takeaway.”

It is difficult to understand the exclusion given we have seen no data that provides evidence to back claims made about adverse intoxication. Does the government have any studies that illustrate there has been higher levels of alcohol-related harm resulting from restaurants being able to sell take-away since the temporary Bill was introduced?

As a simple logic check, we note that the average retail beer has an ABV of 4-6%, and RTDs are between 4 and 6%, while wine sits at 12-14%, a far higher percentage of alcohol by volume. While some beers may be of a higher percentage, these are not generally available for on-premise sale.

We also note that any person can purchase beer, spirits and wine of high ABV content at any time from bottle shops. To limit take-away sales only to bottle shops is a discriminatory decision that favours and protects certain elements of the industry, with no data to justify that decision.

In regard to the responsible service of alcohol, a patron has the choice at any time to either make a take-away purchase at the venue they are dining in or walking out the door into a major chain bottle shop to make a purchase. Simple geographical relocation of the consumer will not change their consumption intentions. Further, a dining establishment will be far more likely to implement RSA requirements over patrons dining at their premises, than an employee at a bottle shop will.

In terms of harm minimisation, we feel it would be far better for a patron to purchase a take-away at the premises they have been in and return directly home, than have the patron travel to a different location to buy take-away from a bottle shop before returning home.

As a broader comment, we consider this positioning of the beer industry as harmful as a significant problem and one that contradicts the aims and objectives of the Government's own [Craft Beer Strategy](#), put in place by the now Treasurer, and continued by Minister Butcher. This Strategy commits to supporting the industry, providing greater market access through new channels and provides human and financial resources to support independent craft brewers, so we are at a loss as to how beer has now been deemed a greater risk of intoxication and that market access needs to be curtailed.

It is not the manufacturers and not the beers per-se that cause alcohol-related injuries, but rather the environment that condones inappropriate consumption of alcohol. A restaurant serving meals as defined in the legislation, is far less likely to encourage excessive consumption by its patrons.

Consultation

Again, quoting the Bill:

"However, the changes resulting from stakeholder consultation will reduce the potential for harm and provide greater regulatory control."

*"On 20 July 2021, LGFT asked stakeholders supporting the original proposal to provide feedback on the key components of the above changes. While the **R&CA and CCIQ support the changes**, the QSBC and IBA were not supportive on the basis that the changes create additional regulatory burden that would disproportionately impact small business restaurant and café owners. The Office of Best Practice Regulation have been consulted on the liquor reforms in the Bill. Given the proposal is primarily deregulatory in nature and preserves harm minimisation requirements, no further regulatory impact analysis is required".*

Contrary to the assertions above, we advised the Office of Liquor and Gaming Regulation directly, and the Commissioner personally, that we fully supported the temporary take-away provisions when they were originally passed. More importantly, we advised LGFT that we approved and supported the **original** Consultation draft.

We strongly recommend the original draft put up for consultation be reinstated by the Committee as the preferable way to meet the objectives of this Bill. Changes between the original consultation document and this proposed Bill have been made to protect the interests of corporate bottle shop owners, while disadvantaging nearly 600 licensed cafes in Qld and the one hundred plus independent breweries.

Regulatory Burden

Currently, licensed restaurants and cafes do not have an onerous reporting requirement under the Temporary Measures Legislation. The proposed new Amendments intend to impose additional reporting requirements on restaurants and cafes that are more onerous than is required from any Hotelier and Liquor Retailer in the country for sale from their venues, bottle shops, on-line and home-delivery sales. Filling out reports does not affect the implementation of the responsible Service of Alcohol requirements.

Remove the excessive reporting requirements proposed, rely on the exiting Responsible Service of Alcohol legislative requirements to minimise harm, and then there will be no burdensome reporting requirements for restaurants and cafes. This then places these venues on the same fair basis as hotels and bottle shops, and removes the concerns raised by the QSBC and the Office of Best Practice Regulation.

The IBA requests this Committee to ask OLGR and the Office of Regulatory Policy to provide data reflecting the implied increase in alcohol-related harm over the last year fort restaurants and cafes vis a vis hotels and bottle shops, and the justification for imposing more onerous reporting requirements on restaurants and cafes than required for hotels, bottle shops, online and home deliveries.

The arguments provided, the request for additional reporting requirements and the suggestion that the Commissioner has to approve a special condition on the License, are all efforts to

prevent small and struggling businesses from gaining access to the incredibly lucrative take-away business over which the supermarket duopoly currently has a choke hold.

The IBA requests that this Committee revert to the original consultation draft as the appropriate measures to make the existing legislation permanent. I have attached our original feedback for your reference.

Thank you in advance for your assistance and I can be contacted on [REDACTED] or [REDACTED] should you require any further information.

Yours sincerely,



KYLIE LETHBRIDGE
Chief Executive Officer

Response to Request for feedback on Options for amending proposal

- **Justice (COVID-19 Emergency Response - Permanency) Amendment Bill 2021**

Dear Mr Tennison,

The Independent Brewer's Association thanks you for the continued opportunity to provide input on these important proposed changes to legislation that will in our view have an overwhelmingly positive contribution to Queensland small businesses including those of our members.

As David Kitchen has stated, the current Temporary arrangements for Takeaway Liquor Authorities have not caused any of the perceived risks to occur within the last 18 months and it is a reasonable response that those parties making any objection are likely to be driven by their own commercial motives and are significantly overstating the perceived risks, again primarily to protect duopoly interests.

We make the following broad observations:

- There is no RSA difference in 3 bottles of wine being sold with prepared food than the countless cartons of wine being sold by big box liquor retailers or wine subscription services every day. The only difference is this provision supports the sale by a small business owner not a large Duopoly liquor retailer. There is no evidence in 18 months that consumers are consuming wine in any irresponsible way that can be linked to these provisions. Restaurant wine is generally a higher margin, independent or more unique range and consumers have supported these small businesses that have direct flow on into the independent artisan producer industry in wine, craft beer and artisan spirits more than major wholesalers, major producers and major retailers all of whom have experienced record profits.
- One of the largest delivery agents for liquor in Australia is actually Australia Post who deliver thousands upon thousands of cartons of wine daily to unattended doorsteps, parcel lockers and similar locations from wine subscription services including those operated by major retailers. Second to that is thousands of daily deliveries by third party delivery agents (such as via Jimmy Brings etc) where there is yet again a negligible level of RSA trained staff involved in the actual delivery of the liquor. With respect to the submitters s141C applies equally to Meals and Café licenses as it does to Commercial Hotel licensees at both their main premises and DBS / Big Box outlets.
- The 3-wine bottle limit is only marginally larger than the long term takeaway wine limit (per adult) in s67A(2)(b) and there is long term evidence this provision has not made any negative overall contribution to adverse societal outcomes.

In relation to the specific possible amendments, we provide the following responses:

1. The IBA strongly supports the current draft of the Bill without this proposed amendment. A large number of café licenses also provide meals but for various reasons have elected to seek a café license. Linking this provision to meals will only further restrain these small businesses when no comparable requirement applies to Hotels who sell liquor without any food. There is no evidence that licensees have sold cartons of beer or wine for example with packaged crisps etc and at worst the terms could be amended to prepared food or meals.

2. The IBA strongly supports the current draft of the Bill without this proposed amendment. The IBA supports the retention of the 2.25l limit applying to wine and the other listed items. The proposed amendment does not provide for a mixed purchase up to 2.25l including a mix of wine and any other item (i.e. 1 wine and 4 beers) and is drafted poorly in that respect.
3. The IBA completely rejects and opposes this proposal. It is labour intensive and an administrative burden that is not supported by the facts. Such an approach would only serve to reduce uptake by small businesses, burden OLGR and businesses with red tape, and protect the multinational duopoly and big box retailers.

The unamended draft was well balanced, reflects that little or no quantifiable harm has arisen from these temporary measures, and most critically, will assist small businesses in gaining access to a small market share of a very large pool of state-wide liquor sales annually. No actual amenity impacts are considered likely, and these measures will assist small café and restaurant owners in establishing the financial stability that was lacking for so many operators in this sector who had been denied access to this authority for decades too long.