




Speech By
Hon. Shannon Fentiman

MEMBER FOR WATERFORD

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LIQUOR (ARTISAN LIQUOR) AMENDMENT BILL

 **Hon. SM FENTIMAN** (Waterford—ALP) (Attorney-General and Minister for Justice, Minister for Women and Minister for the Prevention of Domestic and Family Violence) (5.24 pm), in reply: I thank all honourable members for their contribution to the debate on the Liquor (Artisan Liquor) Amendment Bill 2020. Before I address some of the issues raised during the course of this debate I want to give a shout-out to Dean Forte and his team at Monkey Tree Brewing in Underwood in my home community of Logan. They do fantastic work supporting the local community. I am very much looking forward to how happy Dean will be when these amendments pass the House. I will now address some of the matters raised in the debate.

Members of the opposition have raised concerns about the regulatory impact process for the new licence created by the bill. The Queensland Productivity Commission assessed the new licence proposal. It determined that there would be limited benefit in undertaking further analysis in the form of a regulatory impact statement in light of the extensive consultation already undertaken since November 2018. In addition, further regulatory impact analysis would have further delayed the implementation of the artisan producer licence at a time when businesses are recovering from the impacts of COVID-19.

The artisan producer licence authorisations, which are reflected in the bill, are the culmination of extensive consultation. General agreement about the licence authorisations was reached at a roundtable meeting held on 2 March last year, which was attended by representatives from the Australian Distillers Association, the Independent Brewers Association, the Queensland Hotels Association, Clubs Queensland, and relevant government departments. Between December 2019 and January 2020, the former department of state development, manufacturing, infrastructure and planning surveyed approximately 60 per cent of independent Queensland craft brewers about a new licence category for the industry.

The honourable member for Clayfield also raised concerns that the artisan producer licence will not allow licensees to sponsor commercial events, specifically the Noosa Triathlon. However, the bill will give artisan producer licensees the ability to apply for a commercial public event permit in line with other licence types such as commercial hotels and nightclubs. I understand a commercial public event permit has previously been issued for the Noosa Triathlon.

I also note that artisan producer licensees will be able to apply to the Office of Liquor and Gaming Regulation to sell takeaways at events under the authority of a public event permit. The authority will give craft brewers and artisanal distillers the opportunity to increase the visibility of their products at public events, including the Noosa Triathlon.

Another issue raised during the debate was the ability for artisan producers to sell liquor from independent grocers. Takeaway liquor sales in Queensland are predominately limited to specialised outlets to control the availability of liquor and minimise alcohol related harm. Currently, takeaway liquor is primarily available at bottle shops operated under a commercial hotel licence. The artisan producer licence, however, will improve craft brewers' and artisan distillers' takeaway liquor sales ability in a manner consistent with the existing legislative framework.

Opposition members also raised concerns about the departmental response to the submission made by the Independent Brewers Association. In particular, the department considered the takeaway authority of the licence, the licensing of multiple sites under a single licence and the availability of a permit similar to what is available to wine licensees to be outside the scope of the bill. The bill reflects the licence authorisations, which were generally agreed to at a roundtable meeting I mentioned earlier attended by the key stakeholders including the IBA and the Distillers Association. The position reached at this meeting was subsequently endorsed by the government. Accordingly, we did not comment on policy matters that had already been determined.

Further, licensing multiple sites under a single liquor licence would represent a fundamental shift in how venues are licensed under the Liquor Act, which generally requires each premises to obtain a separate licence. Changing this approach would have had wideranging impacts for all licensees, not just boutique producers. The government also considers that the artisan producer licence will offer artisan liquor producers a similar ability to sell their products at events as is now allowed under a wine permit.

Some members raised the intention to limit sample sizes of liquor at promotional events as a potential issue with the bill. Sample sizes of 150 millilitres of craft beer and 15 millilitres of artisanal spirits will be set by amendments to the Liquor Regulation. As the member for Clayfield noted, sample size limits are intended to prevent pop-up bars developing at promotional events. The bill allows artisan producer licensees to sell takeaways of their liquor, up to a carton of beer and two bottles of spirits, to customers who wish to purchase liquor after sampling.

The takeaway sales ability of an artisan producer licensee will ensure the focus of the licence remains on the production of genuinely boutique liquor on licensed premises. Artisan producer licensees will be permitted to sell unlimited takeaways of their own liquor to the public from their venue and via online orders, removing the current 2.5 per cent restriction. These measures combined significantly enhance the ability of craft brewers and artisan distillers to sell takeaways of their own liquor without relying on large liquor retailers.

The obligation to submit an annual return will help to ensure the licence benefits only those small, independent liquor producers. While the annual return will encompass some information that must be provided to the Australian Taxation Office as part of an excise return, the return also collects information specific to the licence. The information provided will be used by the OLGR to ensure only legitimate artisan liquor producers are accessing the licence, ensuring the benefit of the licence is provided only to boutique liquor producers and not the larger players.

Members of the opposition have also raised concerns about the delay in passing this bill as small businesses recover from COVID. At the height of the pandemic, patronage at licensed venues was prohibited or limited due to public health restrictions. In response, the government made emergency amendments to the Liquor Act to allow licensees to sell takeaway liquor in these changed circumstances. For example, the 2.5 per cent restriction on retail sales which applies to producer/wholesalers was lifted under a temporary takeaway liquor authority. The authority allowed artisan distillers to sell unlimited amounts of their liquor directly to the public and via online orders. Further amendments to the Liquor Act have extended this provision for distillers until the artisan producer licence becomes available.

The government also waived the 2020-21 annual licence fees for all Queensland liquor licences to remove unnecessary financial burdens on businesses. As venues are starting to return to business as usual, the bill will provide a timely and needed boost for our state's artisan liquor producers.

Concerns have also been raised that the bill does not go far enough in terms of allowing multiple sites under a single licence. As I mentioned earlier, the bill is not intended to alter the fundamental framework in the Liquor Act which defines the production of liquor and how liquor producers are licensed, as to do so would have broader impacts. The new licence aligns with this existing approach by linking liquor production to one licensed premises.

Concerns were also raised about the penalties for not keeping accurate records. The penalty is consistent with other penalties under section 217 of the Liquor Act for offences such as not maintaining a transactions record or failing to establish accurate accounting records.

To address any outstanding concerns about the licence authorisations, the government has committed to establishing a new Queensland Artisan Liquor Advisory Group once the new licence commences. The group will provide a forum for craft brewers and artisan distillers to provide the government with feedback about how the licence is being implemented and create the opportunity to discuss the future direction of this growing sector.

In regards to the sale of liquor by art galleries, I have been advised that a representative from the Office of Liquor and Gaming Regulation has been in contact with the owner of Gallery 19 and ascertained liquor is being gratuitously supplied to guests of the gallery as part of semi-regular art exhibitions held at the premises. OLG is in the process of discussing options with the owner to ensure an appropriate outcome is achieved.

In conclusion, I once again thank all honourable members for their contributions during the debate. I commend the bill to the House.