ClubsACT
A community way of life

Mrs Vicki Dunne MLA
Chair
Standing Committee on Justice
and Community Safety
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

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Review of Liquor Fees

Dear Mrs Dunne,

Thank you for the opportunity to lodge a submission to the review of liquor fees.

The club sector has led the way in creating and maintaing safe environments for their members and guests. Whether it be requiring members and guests to sign in or ensuring all staff are taught and apply responsible service of alcohol principles, Canberra's clubs always maintain very high standards when it comes to the sale of liquor.

On behalf of its members, ClubsACT supported the move to a risk-based licensing regime. However we do not believe the current fee structure sufficiently distinguishes between different license categories in terms of the risk they pose relative to other venues.

Lack of Sophistication

The *Liquor Act 2010* includes a range of factors which comprise risk and ClubsACT believes that this review is an opportunity for the fees to incorporate those factors included in the legislation.

Those risk factors include:

i) the class or subclass of a license or permit
ii) licensed times or permitted times
iii) the term of a license of permit
iv) the nature and scale of activities being carried out at the license premises or permitted premises;
v) the occupany loading for the licensed premises or permitted premises;
vi) the history of compliance of licensees and permitted premises with this Act;
vii) anything else consistent with the objectives of this Act and the harm minimisation and community safety principles;

The risk factors outlined above provide some basis for making determinations regarding risk and combined with the data collected with respect to offences provide a firm basis for making determinations about risk.

In our view, a risk-based regime that does not reasonably distinguish between venues is not a system based on risk but simply an extra impost on licensees.

The current risk factors which determine the fees still leads to venues paying a high licence fee when the risk they pose in terms of alcohol related violence and need for police resourcing is relatively very low.

I represent a number of suburban licensed clubs who have large maximum occupancies, stay open until 5am (to cater for members who are shift workers, taxi drivers etc) and therefore pay a very high licence fee.

However, while they may be open late and have large maximum occupancies, they clearly pose significantly less risk than a city nightclub or bar that stays open just as late and has a similar maximum occupancy.

The fee structure is still not sophisticated enough to adequately distinguish between venues.

<u>Venue Compliance History</u>

The key risk factor which is not currently included in the determination of licence fees is compliance history, despite this component being included in the legislation as a factor that could be taken into account.

Significantly, the legislation also includes provision for the Commissioner to waive or reduce fees. ClubsACT believes that the Commissioner should be encouraged to reduce fees where a licensee has a record of very few or no breaches of the Act.

ClubsACT strongly believes compliance history should be included as a factor in the determination of fees for venues. This could be done via a rebate or as part of the renewal fee process where a venue may be classified according to their compliance record. Each different classification would relate to a pre-determined rebate level.

More broadly, whilst recognising that there is clearly a need to address anti-social behaviour as a result of excessive alcohol consumption, ClubsACT submits that the higher level of liquor license fees should be regarded as a temporary response to the problem.

<u>Gradual Reduction in Fees</u>

It is important to remember that the increase in the fees levied in the ACT occurs against the backdrop of Victoria deciding to reduce liquor fees.

The current level of fees should in no way become the baseline for further increases in years to come. Rather, the government's objetive should be to gradually reduce fees and to lessen the burden on industry as compliance improves and the number of incidents reduces.

The Acting Attorney-General's submission to this review made reference to "...positive community safety outcomes and strong compliance..." being witnessed and also included the following statement:

"ACT Policing has recorded sizeable reductions in the number of liquor related arrests, assaults and the number of people taken into protective custody over this year".

The Acting Attorney-General's submission indicated that the number of alcohol-related arrests has fallen by 18 per cent, the number of assualts has fallen by 12 per cent and the number of people taken into protective custody has fallen by 19.2 per cent.

While it would be a very useful exercise to acertain what measures or circumstances are directly responsible for this reduction, as a matter of princple, if the ACT is witnessing a sizeable reduction in incidents and a consequent reduction in the call on police resources, then the government should be investigating ways to reduce the fees levied on industry.

The ACT Government has repeatedly described the fee structure as a 'user-pays' system. It seems clear that less resources are being used and therefore the fees should be reduced accordingly.

Dual Classification of Venues

Section 4 of the Fees Determination 2011 provides that if an on licence is issued for 2 or more aubclasses, the annual fee payable is the highest of the fees.

The ability of one venue to be classified as two sub-classes is simply foolish and runs counter to the principle of having separate sub-classes to distinguish between venues. A venue is either a nightclub, a restaurant or a club. A venue cannot be both as every venue has a predominant activity. That predominant activity determines which sub-class the venue sits in.

ClubsACT strongly supports the removal of Section 4 so that each venue has certainty over what sub-class they are in and therefore the fees that they're required to pay.

Timing of Fee Determination

The ACT Government has twice now waited until shortly before the fees are due to be paid to relase each new fee structure. This has created a significant degree of uncertainty and unease amongst venues and which has been totally uneccessary.

ClubsACT supports any reasonable initiative that requires the ACT Government to release the fee structure well ahead of the licence renewal period.

I would be happy to expand on any aspect of this submission.

Yours sincerely

Jeff House
Chief Executive

14 February 2012.