



ACT GOVERNMENT RESPONSE

STANDING COMMITTEE ON PUBLIC ACCOUNTS REPORT NO 18, 2008 – *REVIEW OF AUDITOR- GENERAL'S REPORT NO. 4 OF 2007: REGULATION OF ACT LIQUOR LICENCES*

Authorised by
Simon Corbell MLA
Attorney General

**ACT GOVERNMENT RESPONSE TO STANDING COMMITTEE ON PUBLIC
ACCOUNTS REPORT NO 18, 2008 – REVIEW OF AUDITOR-GENERAL'S
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INTRODUCTION

The Standing Committee on Public Accounts Report No 18, 2008 – *Review of Auditor-General's Report No 4 of 2007: Regulation of ACT Liquor Licences* (the Report) presents the findings of the Standing Committee on Public Accounts Inquiry into the Auditor-General's performance audit on the regulation of ACT liquor licences.

The Report covers an area of great importance to the ACT community. As the Auditor-General indicated in her report, alcohol is a regular feature of Australian social, cultural and interpersonal interactions and the misuse and abuse of alcohol impacts the whole of Canberra society. To ensure public and industry confidence, it is therefore vital that the government effectively regulate liquor licensing.

The ACT Government is currently conducting a review of the *Liquor Act 1975* to determine whether the existing liquor laws are adequate in satisfying community expectations about the responsible sale and safe consumption of liquor in the Territory. Many of the issues covered in the review have also been considered in this report.

Since the Auditor-General's report was completed there has been improvement in the regulation of liquor licences. This has included development of new application forms and guidance materials. In addition, the ACT Government has provided significant funding over the next four years to improve the liquor regulatory regime in the Territory. The funding will allow the Office of Regulatory Services to employ an additional two liquor inspectors. This means an extra 160 inspections can be carried out on licensed premises throughout the ACT each year.

The body responsible for the review of licensing and enforcement decisions has now changed as a result of the implementation of the ACT Civil and Administrative Tribunal (ACAT) in February 2009. All of the licensing and enforcement duties previously vested in the Liquor Licensing Board have been assumed by the ACAT and the Commissioner for Fair Trading. In addition, the Registrar of Liquor Licences has been replaced by the Commissioner for Fair Trading.

The ACT Government will consider recommendations for legislative amendments and improved regulation of the liquor industry in the context of its comprehensive review of the *Liquor Act 1975*. The issues, concerns, and options raised by the Standing Committee will be thoroughly addressed in the Government's final report on the Liquor Act review.

RECOMMENDATIONS

Recommendation 1 The Committee recommends that the ACT Government investigate amending the *Liquor Act 1975* to require the Registrar and the Deputy Registrar of the Liquor Licensing Board to refer all liquor licence applications to ACT Policing for further consideration and report.

Noted

The issue of appropriate scrutiny for liquor licence applicants was raised in the review of the Liquor Act's Discussion Paper, issued in April 2008. The Discussion Paper generated a large number of submissions from industry, community, and government stakeholders. The final report will consider these submissions alongside the available evidence to provide reform recommendations in the context of a complete review of the ACT's liquor laws.

Recommendation 2 The Committee recommends that the *Liquor Act 1975* be amended to require community impact statements for any applications for a new liquor licence, or any applications for renewals of licences granted prior to this amendment, and to provide members of the public with greater opportunity to comment on licence applications.

Noted

The option of requiring community impact statements of liquor licence applicants was raised in the review of the Liquor Act's Discussion Paper, issued in April 2008. The Discussion Paper generated a large number of submissions from industry, community, and government stakeholders. The final report will consider these submissions alongside the available evidence to provide reform recommendations in the context of a complete review of the ACT's liquor laws.

Recommendation 3 The Committee recommends that the *Liquor Act 1975* be amended to require that a register of all licensees, permit holders and current applicants, and all decisions of the Liquor Licensing Board, be publicly available.

Noted

The issue of procedural requirements for applicants and licensees was raised in the review of the Liquor Act's Discussion Paper, issued in April 2008. The Discussion Paper generated a large number of submissions from industry, community, and government stakeholders. The final report will consider these submissions alongside the available evidence to provide reform recommendations in the context of a complete review of the ACT's liquor laws.

Recommendation 4 The Committee recommends that the ACT Government publicise the right to lodge a complaint about a licensed premise.

Agreed

The Office of Regulatory Services has published a complaints framework that informs members of the public with regard to how to lodge a complaint about a licensed premises. Additional and more prominent publicity will be arranged.

Recommendation 5 The Committee recommends that the Office of Regulatory Services inspect all licensed entities at regular intervals, while using risk assessment to determine which licensed premises require additional inspections.

Agreed

The Office of Regulatory Services will inspect all licensed entities at regular intervals as part of an overall compliance program and will use risk assessment to determine which licensed premises require additional inspections.

Recommendation 6 The Committee recommends that the ACT Government investigate granting the rights and powers of liquor inspectors to all ACT police officers.

Noted

Under Section 25, subsection 10, of the *Liquor Act 1975*, police officers are granted the powers of inspectors. The provision treating Police Officers as inspectors for the purpose of the Liquor Act is currently in force.

The issue of granting further powers to police officers and inspectors is currently under consideration pursuant to the review of the Liquor Act. The final report will provide reform recommendations on this subject in the context of a complete review of the ACT's liquor laws.

Recommendation 7 The Committee recommends that the Liquor Licensing Board issue directions or impose conditions on a licence for a certain period when a licensee repeatedly exceeds the occupancy loading for a licensed premise.

Noted

The issue of enforcement of occupancy loading determinations was raised in the review of the Liquor Act's Discussion Paper, issued in April 2008. The Discussion Paper generated a large number of submissions from industry, community, and government stakeholders. The final report will consider these

submissions alongside the available evidence to provide reform recommendations in the context of a complete review of the ACT's liquor laws.

Recommendation 8 The Committee recommends that the ACT Government consider applying the same approach to addressing underage alcohol purchases as its does to underage cigarette purchases.

Noted

The issue of finding effective means for preventing underage consumption of alcohol was raised in the review of the Liquor Act's Discussion Paper, issued in April 2008. The Discussion Paper generated a large number of submissions from industry, community, and government stakeholders. The final report will consider these submissions alongside the available evidence to provide reform recommendations in the context of a complete review of the ACT's liquor laws.

Recommendation 9 The Committee recommends that the *Liquor Act 1975* be amended to include consumer offence provisions similar to those in the New South Wales *Liquor Act 2007*.

Noted

The issue of amending offence provisions to regulate the behaviour of consumers was raised in the review of the Liquor Act's Discussion Paper, issued in April 2008. The Discussion Paper generated a large number of submissions from industry, community, and government stakeholders. The final report will consider these submissions alongside the available evidence to provide reform recommendations in the context of a complete review of the ACT's liquor laws.

Recommendation 10 The Committee recommends that the ACT Government consult with the New South Wales Government on the effectiveness of the incident register requirements in the NSW Liquor Act and, if effective, include similar provisions in the ACT Liquor Act.

Noted

The issue of requiring incident registers was raised in the review of the Liquor Act's Discussion Paper, issued in April 2008. The Discussion Paper generated a large number of submissions from industry, community, and government stakeholders. The final report will consider these submissions alongside the available evidence to provide reform recommendations in the context of a complete review of the ACT's liquor laws.

Recommendation 11 The Committee recommends that the ACT Government consult with the Victorian Government on the effectiveness of the police powers to issue banning notices to consumers under the Victorian Liquor Act and, if effective, include similar provisions in the ACT Liquor Act.

Noted

The issue of granting further infringement notice powers to police officers was raised in the review of the Liquor Act's Discussion Paper, issued in April 2008. The Discussion Paper generated a large number of submissions from industry, community, and government stakeholders. The final report will consider these submissions alongside the available evidence to provide reform recommendations in the context of a complete review of the ACT's liquor laws.

Recommendation 12 The Committee recommends that, following completion of the 12 month review, the Attorney-General report to the Legislative Assembly on the effectiveness of the new "on the spot" fines and whether this option should be extended to other alcohol related and disorderly behaviour offences.

Noted

The issue of expanding the scope of available fines was raised in the review of the Liquor Act's Discussion Paper, issued in April 2008. The Discussion Paper generated a large number of submissions from industry, community, and government stakeholders. The final report will consider these submissions alongside the available evidence to provide reform recommendations in the context of a complete review of the ACT's liquor laws.

Recommendation 13 The Committee recommends that the Liquor Licensing Board, in consultation with ACT Policing and licensees, develop a code or guidelines for licensees on appropriate promotions.

Noted

The Liquor Licensing Standards Manual already includes some guidelines on promotions that are inappropriate. The Commissioner for Fair Trading will work with ACT Policing and licensees to include additional information in the Manual around appropriate promotions.

Recommendation 14 The Committee recommends that the ACT Government consult with the New South Wales Government on the effectiveness of the powers in the NSW Liquor Act to ban irresponsible promotions and products that encourage excessive drinking of alcohol and, if effective, include such powers in the ACT Liquor Act.

Noted

The issue of regulating drink promotions was raised in the review of the Liquor Act's Discussion Paper, issued in April 2008. The Discussion Paper generated a large number of submissions from industry, community, and government stakeholders. The final report will consider these submissions alongside the available evidence to provide reform recommendations in the context of a complete review of the ACT's liquor laws.

Recommendation 15 The Committee recommends that the *Liquor Act 1975* be amended to include provisions for the compulsory training in the responsible service of alcohol for all service staff employed in the liquor industry and that evidence of having completed this training be available for inspection at premises.

Noted

The Attorney General has publicly committed to reforming the requirements for responsible service of alcohol (RSA) training in licensed premises. The issue of mandatory responsible service of alcohol training was raised in the review of the Liquor Act's Discussion Paper, issued in April 2008. The Discussion Paper generated a large number of submissions from industry, community, and government stakeholders. The final report will consider these submissions alongside the available evidence to provide recommendations for instituting a mandatory RSA program in the context of a complete review of the ACT's liquor laws.

Recommendation 16 The Committee recommends that the ACT Government investigate amending the *Liquor Act 1975* to provide for the establishment of Liquor Accords.

Noted

The issue of regulating the industry through liquor accords was raised in the review of the Liquor Act's Discussion Paper, issued in April 2008. The Discussion Paper generated a large number of submissions from industry, community, and government stakeholders. The final report will consider these submissions alongside the available evidence to provide reform recommendations in the context of a complete review of the ACT's liquor laws.