2012

THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

GOVERNMENT RESPONSE TO THE STANDING COMMITTEE ON JUSTICE AND COMMUNITY SAFETY INQUIRY INTO LIQUOR LICENSING FEES REVIEW AND SUBORDINATE LEGISLATION

Presented by
Mr Simon Corbell MLA
Attorney-General

Tabled 22 Aug 2012

Executive Summary

The Standing Committee's Report makes eight recommendations resulting from its Inquiry into Liquor Fees and Subordinate Legislation.

The terms of reference for the inquiry are included at page (iii) of the Standing Committee's Report.

The Committee received six submissions including submissions from the ACT Government, the Australian Hotels Association, ClubsACT and three submissions from local on licence businesses.

The Government Response sets out the Government's position on each of the eight recommendations.

The Government <u>agrees</u> to 2 recommendations, recommendations 4 and 5.

The Government <u>agrees in-principle</u> to 2 recommendations, recommendations 7 and 8.

The Government <u>notes</u> 3 recommendations, recommendation 1, 2 and 3.

The Government does <u>not agree</u> with recommendation 6.

Introduction and Background

1. On 18 November 2010, the ACT Legislative Assembly passed a resolution calling for the Attorney-General, Simon Corbell MLA, to undertake a comprehensive review of the ACT's liquor licensing fees for 2011. The Assembly resolved that the Attorney-General table the report by 1 October 2011.

2. On 22 September 2011, the Attorney-General tabled the *Final Report: Review of Liquor Licensing Fees* in the Legislative Assembly.

3. On 9 November 2011, the Attorney-General made the *Liquor (Fees) Determination 2011 (No 1)* setting out new licensing fees for the liquor industry for 2012.

4. On 17 November 2011, in response to a motion by Mrs Vicki Dunne MLA, the ACT Legislative Assembly agreed to refer the Review of Liquor Licensing Fees Final Report, the *Liquor Amendment Regulation 2011 (No 2)* SL2011-29 and the *Liquor (Fees) Determination 2011 (No 1)* – DI2011-295 to the Standing Committee on Justice and Community Safety for inquiry and report by the first sitting day in March 2012.

5. The terms of reference for the Standing Committee inquiry were as follows:
   That this Assembly:
   (1) Notes
      a. The motion of 18 November 2010 calling for a review of liquor licensing fees;
      b. The Government's Review of Liquor Licensing Fees – Final Report tabled on 22 September 2011;
      c. The Liquor Amendment Regulation 2011 (No 2) – SL2011-29 and the Liquor (Fees) Determination (No 1) – D12011-295 came into effect on 11 November 2011; and
      d. The public concern about the new liquor licensing fees.
   (2) Refers the Review of Liquor Licensing Fees – Final Report, the Liquor Amendment Regulation 2011 (No 2) - SL2011-29 and the Liquor (Fees) Determination 2011 (No 1) – D112011-295 to the Standing Committee on Justice and Community Safety for inquiry and report by the first sitting day in March 2012; and
   (3) Calls on the Government to:
      (a) Provide its response to the Committee report within three months; and
      (b) If the Assembly is not sitting when the Government provides its response, send the report to the Speaker or, in the absence of the Speaker, to the Deputy Speaker, who is authorised to give directions for its publishing and circulation.

6. On 6 January 2012, the Government made a submission to the Standing Committee's Inquiry.

7. On 7 March 2012, the Attorney-General appeared before the Standing Committee.

8. On 20 March 2012, the Chair of the Standing Committee, Mrs Vicki Dunne MLA, successfully moved an amending motion to set a new reporting date of the last sitting day in the May 2012 sitting, instead of the first sitting day in March 2012.

9. On 10 May 2012, Mr John Hargreaves MLA, tabled the Standing Committee's Report in the Assembly.

ACT Government submission to the Inquiry

10. The Government lodged a submission with the Inquiry on 6 January 2012, emphasising the fairness of the current evidence-based risk fee framework, as it applies across the liquor industry, and the positive community outcomes from stronger industry compliance since the new laws took effect. There is now clear evidence to show where the police resources are most needed to deal with alcohol-related incidents in the community. The new licence fees have been calibrated to reflect this level of risk profile.

11. The Government submission noted that positive community outcomes are only achievable because of the current additional police and Office of Regulatory Services' resources, which are supported by the liquor fees.

12. The Government submission noted that the recent liquor reforms with an enhanced focus on community safety and harm minimisation have been very successful since their introduction on 1 December 2010. ACT Policing has recorded sizable reductions in the number of liquor-related assaults and arrests when compared with 2010.

13. ACT Policing statistics for alcohol-related behaviour for the first quarter of this year continue to see reductions in the number of alcohol-related assaults and arrests when compared to the same period last year. For example, there was a 32.8 per cent decrease in the number of alcohol-related assaults and a 6.2 per cent reduction in the number of alcohol-related arrests for the same quarter last year.

14. As part of its submission, the Government also attached the *Final Report on the Review of Liquor Licensing Fees* which sets out a comprehensive analyses of the ACT liquor market and liquor fees for the period 1 December 2010 to 31 May 2011.

15. The Government is satisfied that the current fee structure is the fairest way to apportion risk and fees in the marketplace. It is based on the liquor information, including relating to trading hours, occupancy loadings and alcohol-related

incidents at licensed premises, that has been collected since the reforms were implemented in 2010 and takes into account the practice of pre-loading (that is, the practice of consuming significant amounts of alcohol, privately, prior to patronising a licensed venue).

16. Information which is now being provided on the actual trading hours of venues and the size of venues as well as police statistics on alcohol-related incidents at individual premises, supports the appropriateness of the Government's policy settings.

17. Of course, the Government will, in its proposed two year review of the effect of the *Liquor Act 2010* in 2013, continue to monitor the impacts of the liquor reforms, including the impact on levels of violence and impacts on the liquor industry for both large and small on and off licensed vendors and any changes in social behaviours relating to the consumption of liquor.

Other submissions to the Review

18. The Government notes that the Committee received six submissions to the Inquiry: one from the ACT Government, one from the Australian Hotels Association, one from ClubsACT and three submissions from local on-licence businesses.
19. The Government notes that comments made by two on licensees criticised the Government for not taking into consideration the different loading capacities of venues and unfairly discriminating against smaller venues.
20. While it is not intended to review each of the submissions in this Government response, the Government emphasises that its new liquor fees announced last year did take into account additional risk factors including the occupancy loading of a venue or size of a venue, and the type of venue supplying liquor.
21. The risk factors now include, the type of venue, trading hours and occupancy loadings for on licences.
22. As a result of submissions to the Liquor Fees Review from a number of smaller licensees last year, calling for the Government to give greater weight to the size of a venue in its fee determination, the Government revised its fee formula which saw a significant number of small to medium sized licensees benefit from reductions in liquor fees this year.

The Standing Committee's report

23. The Standing Committee's report was tabled in the Assembly on 10 May 2012.

24. The report contains eight recommendations, as follows:

- **Recommendation 1:** The Committee recommends that the Government consider the balance in numbers between on and off licences in the ACT. It should, if it is found that a disproportionate number of off licence vendors is contributing to alcohol-related crime, seek to reduce numbers of off licences or otherwise mitigate the risk associated with these businesses.

- **Recommendation 2:** The Committee recommends that in view of the contribution of preloading to alcohol-related incidents, that the Government consider placing a greater financial burden on off licence alcohol vendors. In particular, it should consider whether discounts currently given to small vendors should be reduced under the liquor fees framework.

- **Recommendation 3:** The Committee recommends that the Government increase educational campaigns designed to modify the culture of alcohol use in the ACT so that alcohol use creates fewer harms.

- **Recommendation 4:** The Committee recommends that the Government support the Liquor Amendment Bill 2012, which would require it to give licensees a prescribed period of notice before new liquor fees and licensing arrangements were introduced.

- **Recommendation 5:** The Committee recommends that if the Liquor Amendment Bill 2012 should not be successful in the Assembly, the Government should introduce legislation with similar effect.

- **Recommendation 6:** The Committee recommends that the Government consider making it a requirement that licensees serve liquor in glasses marked with standard drink servings, and that pouring standard drinks be considered in the context of Responsible Service of Alcohol (RSA) training.

- **Recommendation 7:** The Committee recommends that the Government consider working toward a consistent framework for Responsible of Service of Alcohol (RSA) training with other Australian jurisdictions.

- **Recommendation 8:** The Committee recommends that the Government seek means to foster cooperative arrangements between on licence venues so that patrons identified as having been involved in alcohol-related incidents may be excluded from venues engaged in those cooperative arrangements. Government should consider examples in Australia and overseas to establish the practicability of fostering similar arrangements in the ACT.

<u>Government response to Standing Committee's recommendations</u>

25. The Government's detailed responses to the Committee's recommendations are set out below.

RECOMMENDATION 1

The Committee recommends that the Government consider the balance in numbers between on and off licences in the ACT. It should, if it is found that a disproportionate number of off licence vendors is contributing to alcohol-related crime, seek to reduce numbers of off licences or otherwise mitigate the risk associated with these businesses.

Government response: Noted.

26. The Government notes the Committee's concern that a disproportionate number of off licensed vendors may be contributing to alcohol-related crime.

27. Last year, the Government in determining new liquor fees for the industry consulted widely with stakeholders, including both on and off licensees, conscious that both sectors of the industry should contribute their fair share to the regulatory costs. As part of that consultation, the issue of pre-loading and its impact on alcohol-related incidents was raised on a number of occasions.

28. There is, however, no easy way to measure the incidence of pre-loading by people who consume alcohol purchased from bottle shops immediately prior to frequenting late night venues. Certainly, ACT Policing has expressed some concern to Government about pre-loading and the impact this can have on alcohol-related incidents. In these instances, the liquor would have been purchased from off licensees.

29. While the Government recognises that the sale of alcohol from off licences can contribute to problems with behaviour at late night venues, there is no evidence to suggest that alcohol consumed by patrons purchased from bottle shops is at such a level to be disproportionate to the amount of alcohol purchased and consumed at late night venues.

30. The Government acknowledges that the practice of pre-loading can influence alcohol-related incidents and that a fee structure should recognise that.

31. The Government's current risk-based fee structure takes into account the practice of pre-loading by using the risk factor of the amount of liquor purchased for sale by off licensees in the marketplace. Currently, the liquor market is made up of approximately 70 per cent on licences and 30 per cent off licences, noting that this market share fluctuates throughout the year.

32. While the Government appreciates that the practice of pre-loading can contribute to problems with behaviour around on licensed premises, the evidence provided by ACT Policing last year clearly shows that the vast majority (86 per cent) of alcohol-related incidents occurred at on licensed premises over the period 1 December 2010 to 31 May 2011.

33. More recently, from 1 January to 30 April this year, the Alcohol Crime Targeting Team has attended 212 alcohol-related incidents at licensed premises.

34. In apportioning risks between on and off licensed businesses, it is important to recognise the fundamental difference between how these businesses operate. For example, alcohol purchased at on licensed venues must be consumed on the premises in a short period of time, and in an environment where there is a level of control over the service of more alcohol to an already intoxicated patron. In contrast, alcohol supplied by off licence venues must be consumed off the premises, and the supplier has no level of control about the rate at which the alcohol will be consumed. A large amount of alcohol purchased from an off licence business could be consumed responsibly, including over a long period of time, rather than in a manner which would contribute to alcohol-related violence or other problem behaviours.

35. Accordingly, the risk of harm to the community from both types of businesses is different. Off licence risk is determined by the amount of liquor sold in the market in contrast with on licence risk, which depends upon the type, size and trading hours of a business. For example, of the 931 alcohol-related incidents that occurred in the first half of last year, 74 incidents occurred at premises trading to 2am and 735 incidents occurred at premises trading up to 5am.

36. The Government believes that the current risk-based fee structure is a fair and equitable fee structure based on the best available evidence at the Government's disposal.

37. In a broader sense, it is pleasing to note the reductions in alcohol-related crime, which have occurred since the new laws took effect. Last year ACT Policing reported a 17.16 per cent reduction in alcohol-related arrests in comparison with 2010 and a 6.02 per cent reduction in the number of alcohol-related incidents for assault.

38. More recent ACT Policing alcohol-related incident data for the first quarter of this year shows that the downward trend in assaults and alcohol-related arrests is continuing, with assaults down 32.8 per cent and arrests down 6.2 per cent compared with the same quarter last year.

<u>Government Proposal</u>

39. The Government proposes that the incidence and impact of pre-loading should be further considered in the planned two year review of liquor laws. In this regard, the Justice and Community Safety Directorate will work with ACT Policing to improve the collection of information available concerning pre-loading.

RECOMMENDATION 2

The Committee recommends that in view of the contribution of preloading to alcohol-related incidents, that the Government consider placing a greater financial burden on off licence alcohol vendors. In particular, it should consider whether discounts currently given to small vendors should be reduced under the liquor fees framework.

Government response: Noted.

40. The Government shares the Committee's concern with the incidence and impacts of pre-loading and will be closely monitoring changes in social behaviours related to alcohol consumption from observations made by ACT Policing.

41. The Government emphasises, however, that it has already taken into account the practice of pre-loading in its current risk-based fee structure.

42. The off licence fee model uses the volume of liquor purchased for sale as the risk factor associated with off licence venues, as this factor indicates how much liquor each off licence is selling into the marketplace. The off licence fees are calibrated to reflect the level of risk based on the amount of liquor sales. The practice of pre-loading by some patrons is already a consideration in the off licence fees, noting that the vast majority of people who purchase liquor from bottle shops consume it responsibly over much longer periods of time.

43. The Government can assure the Committee that off licensees are currently shouldering their fair share of the regulatory costs through the current risk-based fee framework.

44. The new off licence fees acknowledge the risk profile (including the practice of pre-loading) from the sale of liquor in the marketplace and sets fees based on the amount of liquor sold by each off licensee. Off licence vendors who sell higher volumes of liquor now pay higher licensing fees. Similarly, in line with reductions in fees for smaller on licensees who present less risk of harm to the community, fees for smaller off licence vendors who also present less risk to the community were reduced to reflect a fairer more equitable distribution of fees based on risk profiles across the industry.

45. The Government considers the liquor revenue from off licensees receipted by the Office of Regulatory Services is commensurate with their overall representation in the industry and their contribution to alcohol-related incidents.

46. The Government's new liquor fees are designed around risk profiles and the new fee framework matches the risk profiles of both these industry sectors. For example, low risk on and off licensed vendors now pay less, and high risk on and off licensed vendors now pay more.

Government Proposal

47. The Government proposes to address the practice of pre-loading as part of the two year review of liquor laws, taking into account any better information and intelligence available. The two year review will include further consultation with key stakeholders, including industry groups and licensees, ACT Policing and the Office of Regulatory Services in order to address any changes in the incidence of pre-loading that might warrant a change in current policies and practices.

48. Until such time as new evidence is available to inform any change in approach, the current risk fee structure is balanced and evidence-based on the risk of harm to the community.

RECOMMENDATION 3

The Committee recommends that the Government increase educational campaigns designed to modify the culture of alcohol use in the ACT so that alcohol use creates fewer harms.

Government response: Noted.

49. The ACT Government is already committing a significant amount of resources to fund, support and deliver education initiatives designed to educate the community about alcohol, its physical effects and the risks and harms associated with its use.

50. The Government is also participating in Council of Australian Governments' initiatives to educate ACT workplaces about the harms associated with alcohol misuse.

51. The Government has adopted a whole-of-government approach to educating the community about the risks and harms associated with alcohol misuse.

52. Below is a summary of the current educational initiatives on alcohol being funded or supported by the ACT Government.

ACT Health Directorate

53. ACT Health is currently delivering a number of programs to educate the community and workplaces about the benefits of pursuing a healthy lifestyle.

54. The Council of Australian Government's *National Partnership Agreement on Preventive Health* (NPAPH) provides Australian Government funding to the ACT Government Health Directorate under the 'Healthy Workers' initiative to deliver a range of new programs within workplaces.

55. A major initiative is the establishment of *Healthier Work* delivered by WorkSafe ACT and launched in May 2012, which aims to build the capacity of ACT workplaces to implement programs, policies, and practices that in the long term encourage health promoting workplace environments and sustained employee healthy lifestyle changes, in relation to increased physical activity levels, healthier eating behaviours, smoking reduction/cessation, **reduction of harmful alcohol consumption**, maintenance of healthy weight and improved stress management.

56. In relation to alcohol consumption *Healthier Work* will encourage workplaces to:
- Provide information and resources on responsible alcohol use to employees;
- Promote services and programs that provide information, advice, counselling and referral to treatments services for staff, who may be concerned about their or their families alcohol use;
- Provide training and education to employees on safe alcohol consumption;
- Follow the Australian low risk guidelines for work functions;
- Develop and implement a workplace policy that encourages responsible alcohol use at work-related events.

57. Importantly, a free online staff health and wellbeing survey has been developed that participating workplaces are encouraged to complete. This survey includes questions on alcohol consumption and will provide individual workers and employers (if a high enough response rate) with individual and organisational aggregated reports respectively on health status, including alcohol consumption.

ACT Education Directorate

58. ACT Schools are currently responsible for teaching drug and alcohol essential learning content which is divided between early childhood, later childhood, early adolescence, and later adolescence.

59. Schools teach drug and alcohol/driving essential learning content about safety and risk taking behaviours of which the Party Safe unit of work from Canberra High is one example.

Justice and Community Safety Directorate

60. Impaired driving (including drink driving) is a priority area to be addressed under the ACT Road Safety Strategy.

61. The ACT road transport legislation requires applicants for a driver licence to complete the Road Ready course. Road Ready includes modules on drink driving.

62. In October 2011, the Assembly passed new laws that, among other things, require drink drivers to complete a mandatory alcohol and drug awareness course to regain or obtain access to a driver licence.

63. The alcohol and drug awareness courses are designed to raise awareness about the effects of alcohol and drugs, including their effects on driving and health. There are two types of courses available to ensure that the rehabilitation and therapeutic needs of difference offenders are accommodated.

Office of Regulatory Services

64. The Office of Regulatory Services (ORS) undertakes educational and promotional activities in regard to ACT liquor legislation. These activities are primarily targeted at youth. In particular, ORS has attended ACT Universities' and CIT Orientation Weeks and Youth Week to talk about liquor. These activities include distribution of wrist bands containing the message – "Alcohol affects you" and distribution of coasters and posters.

65. ORS also offers training to schools and community groups on the purpose and objectives of our liquor legislation.

66. ORS has partnered with the Commonwealth Department of Health and Ageing to implement revised alcohol aware 'standard drink' messages on water bottles across Canberra. Approximately 6,000 bottles were distributed free of charge to cafes and restaurants during the 2010-11 financial year.

67. ORS also regulates the responsible service of alcohol training provisions in the liquor legislation which has been mandated by the Government to help reduce the harms associated with binge drinking and encourage the responsible consumption of alcohol.

ACT Policing

68. ACT Policing teams regularly engage with the liquor industry. This involves visiting premises, engaging with staff, providing education about the *Liquor Act 2010* and current issues and trends within the industry. It also involves requesting changes to practices to minimise the impact of alcohol-related incidents occurring or breaches of the liquor legislation.

69. In its first 10 months of operation, the Alcohol Crime Targeting Team (ACTT) facilitated specific education sessions with over 50 licensees and their staff, affirming industry obligations under the Act; outlining punitive measures attached to the Act; and providing the opportunity for licensees and staff to clarify any ambiguities. Feedback from these sessions was positive and the ACTT has seen a significant increase in the level of industry consciousness regarding its responsibilities.

70. ACT Policing also engages extensively with patrons of licensed premises to ensure that they understand their obligations under the liquor legislation, as well as encouraging the responsible consumption of alcohol.

71. ACT Policing focuses on under-age drinking and alcohol-related offences. The focus of this aspect of ACT Policing strategy is the Youth Liaison Team, a Crime prevention initiative.

72. ACT Policing takes an integrated approach to social marketing issues such as binge drinking and underage drinking. In addition to operational efforts, ACT Policing media and marketing team sponsors and partners with event organisers to promote safe behaviours and decrease the incidence of alcohol-related crime.

73. In March 2012 ACT Policing ran an integrated campaign "Too many drinks and you're a galah" at Skyfire.

74. Skyfire is one of the few events where alcohol is allowed, providing an ideal opportunity to promote targeted messages to a captive audience. The campaign used public relations, community engagement, traditional media and social media to complement sponsorship efforts. ACT Policing partnered with DIRECTIONS ACT to ensure the issue was approached from an enforcement and health perspective. On the night, ACT Policing had an educational display to engage with attendees about the risks of binge drinking and underage drinking. ACT Policing members also handed out free bottles of water, glow sticks and wrist bands promoting anti-binge drinking messaging.

75. In November 2011 ACT Policing partnered with Melbourne Cup organisers to promote alcohol-related crime prevention messaging, through the media in preparation of the event. Office of Regulatory Services merchandise promoting the liquor laws introduced in December 2010 were provided to event organisers to be used at the event location. ACT Policing members also handed out free liquor law branded water bottles to attendees.

Government Proposal

76. The Government proposes to continue its strong commitment to implementing education campaigns across the whole of ACT Government to modify the culture of alcohol use and reduce harms to the community. As resources permit, having regard to competing priorities, educational campaigns will be enhanced.

RECOMMENDATION 4

The Committee recommends that the Government supports the Liquor Amendment Bill 2012, which would require it to give licensees a prescribed period of notice before new liquor fees and licensing arrangements were introduced.

Government response: Agreed.

77. On 21 March 2012, the Legislative Assembly passed a Bill to amend the *Liquor Act 2010* to give liquor licensees a minimum of three months' notice of changes to industry licensing fees, which become due and payable by 30 November each year.

78. The Government supported this amendment recognising that businesses need time to arrange their affairs in order to meet all financial commitments.

79. Given that this same bill was adopted by the Assembly prior to the Committee report being tabled, it is surprising the Committee considered it necessary to make this recommendation.

80. It was always the Government's intention to return liquor fees to the more standard fee instrument made for 1 July each year, which gives the industry five months' notice of fees. The amendment passed by the Assembly in March legislates what the Government intended to be standard Government practice.

RECOMMENDATION 5

The Committee recommends that if the Liquor Amendment Bill 2012 should not be successful in the Assembly, the Government should introduce legislation with similar effect.

Government response: Agreed.

81. As noted above in the Government's response to recommendation 4, with the passage of the Liquor Amendment Bill 2012, this recommendation has now become superfluous.

RECOMMENDATION 6

The Committee recommends that the Government consider making it a requirement that licensees serve liquor in glasses marked with standard drink servings, and that pouring standard drinks be considered in the context of Responsible Service of Alcohol (RSA) training.

Government response: Not agreed.

82. The Government notes that the issue of plimsoll lines on glasses marked with standard drink servings has been the subject of wide debate and extensive public consultation over a number of years.

83. Most recently in November 2010, the National Measurement Institute published a *Consultation Paper on National Trade Measurement Regulations*, seeking comments on a proposal to extend the current sale of beer and spirit provisions to wine sold by the glass. This would have required glasses to be marked with a plimsoll line indicating 150ml, and/or 180ml when sold by the glass.

84. This proposal was strongly opposed by the liquor industry in submissions from the Australian Hotels Association and Clubs Australia for a number of reasons.

85. Firstly, on the basis that it would impose a significant cost burden on every licensee, as new glassware would need to be purchased containing the plimsoll lines. It was further noted that the cost of the process would vary according to glassware quality (ie, fine dining versus more durable everyday glassware) and venue size, but could run into several thousands of dollars for larger hotel/club/conference venues

86. Secondly, consumers were likely to assume that one glass of wine equals one standard drink when attempting to monitor their alcohol intake. Unlike beer and spirits, the alcohol content of wine varies considerably. The significant variations in alcohol content between different wines would make this an unreliable and, potentially dangerous measure for consumers.

87. Thirdly, consumer concerns were raised about value for money if all wine types were served in equal measures. For example, typically lighter alcohol wines such as Moscato are served in larger quantities per glass than higher alcohol wines such as Shiraz.

88. In 2007 the Council of Australian Governments agreed that the Commonwealth should assume responsibility for trade measurement.

89. The *National Measurement Amendment Act 2008* was passed to provide the legislative basis for the Commonwealth, acting through the National Measurement Institute, to establish and operate a single national trade measurement system.

90. Subsequent to the broad public consultation undertaken in relation to the plimsoll line or standard drink proposal, it did not form part of the National Trade Measurement Regulations, which were signed off by the Australian Governor-General in 2010.

91. The Government notes that the reasons cited above by opponents to the plimsoll line on glasses marked with a standard drink serving are still cogent today.

92. Accordingly, the Government is not convinced this is a proposal which deserves follow-up with the Commonwealth National Measurement Institute.

RECOMMENDATION 7

The Committee recommends that the Government consider working toward a consistent framework for Responsible Service of Alcohol (RSA) training with other Australian jurisdictions.

Government response: Agree in principle.

93. The Government notes the Committee's concern about a lack of national mutual recognition amongst the States and Territories in relation to having a consistent framework for training in the responsible service of alcohol (RSA).

94. State and Territory Tourism Ministers and the Commonwealth have recently endorsed a Memorandum of Understanding (MOU) on the reduction of barriers to cross-jurisdictional labour mobility in the tourism industry.

95. At the last Tourism Ministers' meeting on 4 May 2012, Ministers agreed that each jurisdiction would provide an update on their progress in achieving the objectives of the MOU at the next Tourism Ministers' meeting scheduled for October 2012.

96. This will include metrics on the number of workers with RSA qualifications relocating to the ACT, as well as the identification of other barriers restricting the flow of labour to ensure consideration by Ministers.

97. The *Liquor Act 2010* provides that mandatory RSA training must be undertaken every three years for people working in the liquor industry.

98. People involved in the liquor industry have had until 1 June 2012 to complete an ACT approved RSA training program. Those people who since 1 December 2009 have obtained an RSA certificate (full course or refresher) in the ACT or another jurisdiction are deemed to hold an ACT approved RSA certificate and are not required to complete an ACT approved refresher course until 1 June 2013.

99. Currently RSA training can only be delivered by a registered training organisation (RTO) that has the proposed unit of competency on its scope of registration as listed on the National Training Information Service website.

100. Before the RSA training program can be taught in the ACT for the purposes of the Liquor Act, the provider and its RSA training program must also have been approved by the Commissioner for Fair Training. The Act establishes the requirements for RTOs to seek approval and pay a fee of $995.

101. The Commissioner for Fair Trading issued guidelines on RSA training last year and they set out the specific requirements for approval of an RTO to provide RSA training.

102. While there is currently no nationally accredited course for RSA, most jurisdictions recognise the unit of competency regarding RSA that is usually included in a larger training course.

103. The ACT guidelines can easily be changed to facilitate mutual recognition, however, the Act requires approval of individual training programs by RTOs to ensure that the substance of ACT laws is taught.

104. Currently, there is no legislative impediment to an interstate trainer becoming an RTO and providing RSA training in the ACT.

105. The Commissioner for Fair Trading can approve RTOs that are based interstate and the RSA certificates they issue are recognised. However, it is unclear whether all interstate RTOs would apply for approval in the ACT, as there are costs involved in obtaining approval. NSW currently has a similar approach for RSA training approval.

106. To provide for mutual recognition of RSA training legislative reform would be necessary.

107. As noted above, the Government is currently in discussion with the national tourism working group on the feasibility of introducing mutual recognition of RSA training conducted by unregistered trainers (where this training may be recognised interstate) which may ultimately require complementary legislation in those jurisdictions.

108. The Government has no difficulty with the ACT legislating to provide for mutual recognition in concert with other jurisdictions.

RECOMMENDATION 8

The Committee recommends that the Government seek means to foster cooperative arrangements between on licence venues so that patrons identified as having been involved in alcohol-related incidents may be excluded from venues engaged in those cooperative arrangements. Government should consider examples in Australia and overseas to establish the practicability of fostering similar arrangements in the ACT.

Government response: Agree in principle.

109. The Government notes the Committee's recommendation that it should explore means to foster cooperative arrangements between on licensed venues to pre-empt crime and anti-social behaviour in licensed premises.

110. In its Report, the Committee referred to the United Kingdom's experience with the Pubwatch scheme.

111. This scheme, which encourages licensees to work together to improve the safety of their premises for the benefit of their staff and customers can involve members agreeing to jointly ban problem individuals who are violent, damage property, use or deal drugs or act in an anti-social manner. The scheme has been operating in the United Kingdom for some time now and would appear to be a voluntary arrangement set up to support existing Pubwatches and encourage the creation of new Pubwatch schemes.

112. The aim is to achieve a safe, secure and responsibly led social drinking environment in all licensed premises throughout the UK helping to reduce alcohol-related crime. While the Pubwatch organisation in the UK works closely with police and local authorities, they are not involved in its management, decision-making or the banning processes.

113. The Government supports in principle this recommendation and believes that liquor accords or schemes like Pubwatch involving active participation by commercial licensees, with support from police and regulatory authorities would be welcome additions to the ACT's liquor regulatory efforts.

114. The Government commends the recent success of the Woden District Liquor Industry Working Group (WDLIWG), a pilot program involving a variety of licensees from various Woden suburbs.

115. ACT Policing's Alcohol Crime Targeting Team was a member of the WDLIWG which facilitated the sharing of strategies and resources for reducing intoxication and assaults at participating licensed venues, and feedback on local police concerns and issues.

<u>Government Proposal</u>

116. The Government proposes to refer the Committee's recommendation to the Liquor Advisory Board for consultation with the wider liquor industry. The Government would welcome feedback from the industry as to the level of commitment and interest from local licensees to participate in the type of arrangements the Committee has recommended.

Conclusion

117. The Committee's report has made 8 recommendations in response to submissions and contributions made by the industry, including a number of large and small licensees.

118. The Committee's recommendations focus on a number of regulatory aspects of the liquor industry, including:

- the fairness of the current risk-based fee framework to recognise the contribution made by off licensees to alcohol-related incidents;
- the need to educate the community about taking responsibility for their alcohol consumption to help change the culture of drinking;
- the need for the Government to give timely notice of changes to fees and other liquor arrangements;
- the usefulness of mandating markings on glasses with a plimsoll line to guide staff pouring a standard drink;
- working towards the development of a mutual recognition scheme for RSA training; and,
- that consideration be given to encouraging local licensees to adopt a voluntary "Pubwatch" or similar type scheme to the scheme currently operating in the United Kingdom.

119. As noted in the Committee's Report, submissions to the Inquiry raised a number of views and concerns from industry, including hotels and clubs, licensees and small clubs. Submissions and contributors to the Inquiry commented on aspects of the current fee regime including:

- the object of the approach taken in the regime, and its relationship to the present culture of alcohol use in the ACT;
- the role of pre-loading and drug use in alcohol-related incidents;
- whether the regime raises an appropriate total impost on liquor licensees;
- whether the regime achieves a successful distribution of the burden of liquor licence fees across the industry;
- the particular concerns of nightclub operators;
- the significance of risk assessment management plans;
- determination of predominant activity in setting licence fees;
- potential for compliance history to be a determinant of liquor fees;
- the degree to which businesses are advised of changes to liquor licence fees in a timely fashion;
- arrangements for RSA training and practice; and
- means to exclude patrons habitually involved in alcohol-related incidents.

120. Many of the above concerns have been addressed in the Government's response to the Committee's report, and a number will be further considered, as part of the Government's planned two year review of the liquor laws, which occurs in 2013. In the meantime, the Government remains willing to continue to work with the industry and the broader community on practical measures to address continuing issues of concern arising from the consumption of alcohol.

121. The Government's current risk-based fee framework is designed to recover the costs of the new regulatory efforts that are required of ACT Policing and the Office

of Regulatory Services. It is a fair and equitable risk fee structure based on the best available evidence at the Government's disposal.

122. The Government remains committed to regulating the sale, supply, promotion and consumption of liquor in a way that minimises harm and protects the community.