

LIQUOR AMENDMENT BILL (NO. 2) 1993

EXPLANATORY NOTES

GENERAL OUTLINE

Objective of the Legislation

The objective of this Bill is to abolish the rationalisation program by removing the provisions allowing licensees of general licences the right to negotiate a compensation payment on surrender of their licence.

Reasons for the Bill

The *Liquor Act 1992* requires that the Act be reviewed after 12 months of operation. The rationalisation program commenced on 1st July, 1989 following the previous Government's commitment to apportion up to one per cent of the increased licence fees to the rationalisation program.

The program was designed to rationalise the industry by allowing non-viable hotels a payment for compensation upon the surrender of their licence.

The *Liquor Act 1992* continued this program for a period of three years. The program was reviewed as part of a general review of the operation of the Act. Only 1.6 per cent (18) of the total number of general licences have taken advantage of the program and surrendered their licences.

Estimated Cost for Government Implementation

There will be no cost for the Government.

Consultation

The Queensland Hotels' Association and Government Departments have been consulted on this issue.

NOTES ON PROVISIONS

Clause 1 sets out the short title of the Bill.

Clause 2 states that the *Liquor Act 1992* is amended by this Bill.

Clause 3 omits sub-section 2 of Section 139 of the Act which continued the rationalisation program for a period of three years.

Clause 4 updates a reference in Section 151 to the *Art Unions and Public Amusements Act*.

Clause 5 amends Section 222 by deleting a reference to the payment of compensation from the Liquor Act Trust Fund.

Clause 6 amends Section 223 by deleting reference to the payment of compensation for the surrender of general licences.

Clause 7 amends Section 236 of the Act which sets out the objects of Part 11 by omitting reference to the rationalisation program and the payment of compensation.

Clause 8 omits Section 245, a transitional provision, which is now obsolete.

Clause 9 omits Division 3 of Part 11 of the Act which contains the substantive provisions relating to the payment of compensation for surrender of a general licence.

This clause also inserts a new Section 250, which provides that a request for compensation received but not finalised before the enactment of this Bill, may be dealt with as if the Bill had not been enacted. This will prevent any applicants whose request is only partially dealt with from being excluded from compensation payments.