

# Liquor (Rural Hotels Concession) Amendment Regulation 2019

Explanatory notes for SL 2019 No. 85

made under the

*Liquor Act 1992*

## General Outline

### Short title

Liquor (Rural Hotels Concession) Amendment Regulation 2019

### Authorising law

Sections 202, 202A and 235 of the *Liquor Act 1992*

### Policy objectives and the reasons for them

The *Liquor (Rural Hotels Concession) Amendment Regulation 2019* (Amendment Regulation) makes consequential amendments to the *Liquor Regulation 2002* as required by the *Liquor (Rural Hotels Concession) Amendment Act 2019* (Amendment Act).

The Amendment Act introduces a concessional fee scheme on 1 July 2019 to assist commercial hotel licensees and community clubs with 2,000 members or less in very remote Australia providing unique services and social support to their communities. Recognising that these services are provided from the main premises which is subject to the liquor licence, fees associated with detached bottle shops are excluded from the concessional framework. Risk criterion fees must also be paid in full to ensure that eligible licensees are still subject to the risk-based fees structure. The Amendment Regulation ensures that the concessional fee scheme is effectively operated and integrated with the existing regulatory framework.

### Achievement of policy objectives

As required by the Amendment Act, the Amendment Regulation reduces the base licence fee for commercial hotels with the main premises under the licence located in very remote Australia to 10% of the base licence fee that would otherwise apply, from 1 July 2019. The amendments also ensure that small community clubs with 2,000 members or less in very remote Australia pay the same amount as a commercial hotel in

the same area. The payment of fees for detached bottle shops or risk criterion fees is not affected by the amendments.

Very remote Australia is defined by the Australian Bureau of Statistics in the Australian Statistical Geography Standard, volume 5 – Remoteness Structure.

## **Consistency with policy objectives of authorising law**

The Amendment Regulation is consistent with the policy objectives of the Amendment Act.

## **Inconsistency with policy objectives of other legislation**

The Amendment Regulation is consistent with the policy objectives of other legislation.

## **Benefits and costs of implementation**

As at 1 January 2019, 112 commercial hotels and 42 small community clubs would be included in the concessional scheme. Based on the licence fees for the 2018-19 licence period, it is estimated that the annual projected loss to Government is approximately \$392,100. It is noted the ongoing loss to Government will fluctuate depending on the number of eligible licences and licence type, and changes to base licence fees which generally increase each year in accordance with the indexation policy as advised by Queensland Treasury.

The Amendment Regulation provides a benefit to particular licensees by reducing the base licence fees payable. Calculated on 2018-19 licence fees, the fee for a commercial hotel licence with main premises located in very remote Australia will be reduced from \$3,757 to \$375.70. The fees paid by small community clubs with 2,000 members or less in very remote Australia will be reduced from \$694.60 to \$375.70.

## **Consistency with fundamental legislative principles**

The Amendment Regulation is consistent with fundamental legislative principles.

## **Consultation**

Consultation on the Liquor (Rural Hotels Concession) Amendment Bill 2018 (Amendment Bill) was undertaken by the Legal Affairs and Community Safety Committee. The Committee found that the majority of stakeholders consulted supported the Amendment Bill and recommended it be passed by the Parliament. The Amendment Act was assented to on 7 March 2019. As the amendments to the Liquor Regulation 2002 are required by the Amendment Act, no further consultation has been undertaken.

In line with the *Queensland Government Guide to Better Regulation*, the department has assessed the regulatory proposal as exempt from further regulatory impact analysis under exclusion category (a), as it relates consequential amendments arising from amendments to existing legislation, or the commencement of new legislation. Accordingly, the Office of Best Practice Regulation has not been consulted.