



Liquor (Rural Hotels Concession) Amendment Bill 2018

Report No. 19, 56th Parliament
Legal Affairs and Community Safety
Committee
September 2018

Legal Affairs and Community Safety Committee

Chair	Mr Peter Russo MP, Member for Toohey
Deputy Chair	Mr James Lister MP, Member for Southern Downs
Members	Mr Stephen Andrew MP, Member for Mirani
	Mr Jim McDonald MP, Member for Lockyer
	Mrs Melissa McMahon MP, Member for Macalister
	Ms Corrine McMillan MP, Member for Mansfield

Committee Secretariat

Telephone	+61 7 3553 6641
Fax	+61 7 3553 6699
Email	lacsc@parliament.qld.gov.au
Technical Scrutiny Secretariat	+61 7 3553 6601
Committee Web Page	www.parliament.qld.gov.au/lacsc

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Abbreviations

2017 Bill	Liquor (Rural Hotels Concession) Amendment Bill 2017
Bill	Liquor (Rural Hotels Concession) Amendment Bill 2018
committee	Legal Affairs and Community Safety Committee
previous committee	Legal Affairs and Community Safety Committee of the 55 th Parliament

Chair's foreword

This report presents a summary of the Legal Affairs and Community Safety Committee's examination of the Liquor (Rural Hotels Concession) Amendment Bill 2018.

The committee's task was to consider the policy to be achieved by the legislation and the application of fundamental legislative principles – that is, to consider whether the Bill has sufficient regard to the rights and liberties of individuals, and to the institution of Parliament.

On behalf of the committee, I thank the previous Legal Affairs and Community Safety Committee for its work in relation to the Liquor (Rural Hotels Concession) Amendment Bill 2017. I also thank those individuals and organisations who contributed to the report on the 2017 Bill, whether by written submission, the giving of evidence at the hearing or participation in the roundtable discussions. Many of those individuals took time away from their businesses and travelled long distances to participate and the committee appreciates the sacrifices that they made to assist the committee in its consideration of the issues.

I commend this report to the House.



Peter Russo MP
Chair

Recommendation

Recommendation

2

The committee recommends the Liquor (Rural Hotels Concession) Amendment Bill 2018 be passed.

1 Introduction

1.1 Role of the committee

The Legal Affairs and Community Safety Committee (committee) is a portfolio committee of the Legislative Assembly which commenced on 15 February 2018 under the *Parliament of Queensland Act 2001* and the Standing Rules and Orders of the Legislative Assembly.¹

The committee's areas of responsibility are:

- Justice and Attorney-General
- Police and Corrective Services
- Fire and Emergency Services.

Portfolio committees are responsible for examining each bill and item of subordinate legislation in their portfolio areas to consider:

- the policy to be given effect by the legislation
- the application of fundamental legislative principles
- for subordinate legislation – its lawfulness.²

Mr Robbie Katter MP, Member for Traeger, introduced the Liquor (Rural Hotels Concession) Amendment Bill 2018 (Bill), a Private Member's Bill, into the Legislative Assembly on 2 May 2018. As a private member's Bill, the committee is required to report on the Bill to the House within six months.

1.2 Inquiry process

The Bill is substantially the same as the Liquor (Rural Hotels Concession) Amendment Bill 2017 (2017 Bill) which was introduced into the Legislative Assembly on 23 March 2017 and referred to the Legal Affairs and Community Safety Committee of the previous Parliament (previous committee).³ The previous committee tabled its report on the 2017 Bill on 25 September 2017. That report is appended to this report – see Appendix A.

During its examination of the 2017 Bill the previous committee:

- held a public briefing
- received 19 submissions
- held roundtable discussions in Normanton, Thursday Island, Cunnamulla, Charleville, Blackall, Longreach and Hughenden
- held a public hearing in Brisbane.

Given the similarity between the Bill and the 2017 Bill, the thoroughness with which the previous committee conducted its inquiry, and the fact that the previous committee tabled its report less than a year ago, the committee resolved to base its inquiry into the Bill on the evidence gathered by the previous committee and not to seek further evidence by way of submissions or hearings.

¹ *Parliament of Queensland Act 2001*, s 88 and Standing Order 194

² *Parliament of Queensland Act 2001*, s 93(1).

³ There are only minor differences between the 2017 Bill and the Bill: the addition of paragraph (b) in subsection (5) of clause 3 which provides for instances in which there is no Remoteness Structure in force, and an amendment to paragraph (a) to allow for updated versions of the Remoteness Structure.

The submissions and the transcripts of the briefing and hearing and roundtable discussions on the 2017 Bill are available on the committee's webpage - <http://www.parliament.qld.gov.au/work-of-committees/committees/LACSC/inquiries/past-inquiries/LHRCAB2017>.

1.3 Policy objective of the Bill

The policy objective of the Bill is 'to change the existing liquor licencing framework to reflect the unique circumstances of licenced venues in very remote communities'.⁴ The Bill would do this by creating a concession fee for commercial hotels in very remote communities.

1.4 Should the Bill be passed?

Standing Order 132(1) requires the committee to determine whether or not to recommend that the Bill be passed.

<p>Recommendation</p>

<p>The committee recommends the Liquor (Rural Hotels Concession) Amendment Bill 2018 be passed.</p>

⁴ Liquor (Rural Hotels Concession) Amendment Bill 2018, explanatory notes, p 1.

2 Examination of the Bill

2.1 Format of this report

The committee refers to the previous committee's report on the 2017 Bill (in Appendix A) for a discussion of:

- consultation on the draft Bill
- background to the Bill
- support for the Bill
- amendments to the Bill proposed by stakeholders
- opposition to the Bill
- matters outside the scope of the Bill
- the Bill's compliance with the *Legislative Standards Act 1992*.

2.2 Committee comment

The committee acknowledges the work of the previous committee in the conduct of its inquiry into the 2017 Bill, and notes the previous committee's only recommendation - that the Bill be passed.

The previous committee travelled extensively during its inquiry into the Bill, holding round table discussions and informal consultation with hoteliers and other stakeholders in Normanton, Thursday Island, Cunnamulla, Charleville, Blackall, Longreach and Hughenden, as well as holding a public briefing and a public hearing in Brisbane. The committee appreciates the time and effort that stakeholders made to be part of the previous committee's inquiry, in particular those stakeholders who drove for a number of hours to attend the round table discussions.

The committee recognises the integral place that a hotel can hold in a very remote community. The hotel is a place where locals and tourists can enjoy a meal, a drink or meet with friends. In many communities the hotel performs other functions as well, such as being the venue for council meetings and other gatherings, and providing information to tourists. In some towns it is the only commercial business.

The committee is aware of the difficulties faced by many hoteliers in remote locations. In the submissions and transcripts we read about small and declining local populations, difficulties with access during the wet months, the small amounts of liquor some sell, the cost of freight, and limitations on businesses in restricted areas.

The committee recommends that the Bill be passed. The approximately \$3000 a year saving for very remote hotels from a concessional fee may help ease some of the financial pressures that these very remote businesses face.

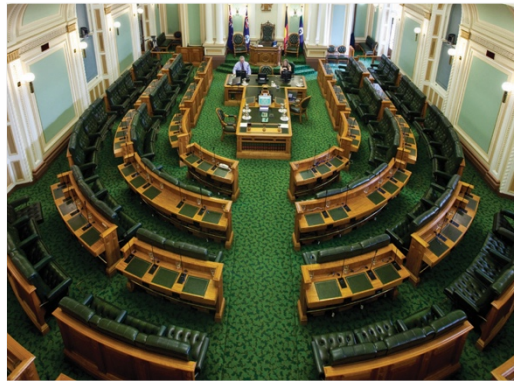
While hotels in Queensland in areas other than those that are very remote would also benefit if there were a decrease in liquor licensing fees, we consider that the use of the 'very remote Australia' classification of the Australian Bureau of Statistics' Australian Statistical Geography Standard, volume 5 – Remoteness Structure' is satisfactory. We note advice from the Queensland Hotels Association and Mr Katter that other options had been considered but that no other suitable criteria were identified.

The committee considered Clubs Queensland's submission that the Bill would create a 'financially uncompetitive environment' for the 32 clubs in very remote areas of Queensland but we decided against recommending that the Bill be amended. The committee notes that if the Bill is passed, there would only be around \$300 difference between the licence fee that would be paid by a club with less than 2000 members and the licence fee that would be paid by a hotel in a very remote community. We note also that the previous committee was not provided with any evidence to show that there are clubs with 2000 or more members in very remote areas of Queensland.

The previous committee was asked to consider recommending backdating the fee structure so as to provide an 'economic boost' to hotels in very remote areas of Queensland. The committee considered the matter but decided against recommending that the Bill be made retrospective.

Appendix A

Report No. 66, 55th Parliament – Liquor (Rural Hotels Concession) Amendment Bill 2017



Liquor (Rural Hotels Concession) Amendment Bill 2017

Report No. 66, 55th Parliament
Legal Affairs and Community
Safety Committee
September 2017

Legal Affairs and Community Safety Committee

Chair	Mr Duncan Pegg MP, Member for Stretton
Deputy Chair	Mr Michael Crandon MP, Member for Coomera
Members	Ms Nikki Boyd MP, Member for Pine Rivers
	Mr Don Brown MP, Member for Capalaba
	Mr Jon Krause MP, Member for Beaudesert
	Mrs Jann Stuckey MP, Member for Currumbin

Committee Secretariat Legal Affairs and Community Safety Committee
Parliament House
George Street
Brisbane Qld 4000

Telephone +61 7 3553 6641

Fax +61 7 3553 6699

Email lacsc@parliament.qld.gov.au

Web www.parliament.qld.gov.au/work-of-committees/committees/LACSC

Technical Scrutiny Secretariat +61 7 3553 6601

Acknowledgements

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Abbreviations

LSA	<i>Legislative Standards Act 1992</i>
QCAA	Queensland Coalition for Action on Alcohol
QHA	Queensland Hotels Association
RSL	Returned & Services League of Australia

Chair's foreword

This Report presents a summary of the Legal Affairs and Community Safety Committee's examination of the Liquor (Rural Hotels Concession) Amendment Bill 2017.

The committee's task was to consider the policy outcomes to be achieved by the legislation, as well as the application of fundamental legislative principles – that is, to consider whether the Bill had sufficient regard to the rights and liberties of individuals, and to the institution of Parliament.

The committee consulted widely during its inquiry, considering it important to travel to very remote areas of Queensland because these are the communities that would be affected by this Bill.

The committee held public roundtable discussions in Normanton, Thursday Island, Cunnamulla, Charleville, Blackall, Longreach and Hughenden. I appreciated the time given, and assistance provided by, the hoteliers and other stakeholders. In each of these places we heard about the value placed on hotels in very remote areas by locals and tourists alike for the multiple services they provide. It was very clear that the hotels in these communities play a vital role in supporting their local area and provide a point of information and reference for tourists as well.

The committee has recommended that the Bill be passed.

On behalf of the committee, I thank those individuals and organisations who lodged written submissions on the Bill and those who gave evidence at the committee's public hearing and roundtable discussions. I also thank the Queensland Parliamentary Library and Research Service for identifying the hotels in very remote areas of Queensland and providing information about the history of liquor licencing in Queensland. Thank you too to the committee's secretariat and Hansard for their work.

I commend this report to the House.



Duncan Pegg MP

Chair

Recommendations

Recommendation 1

2

The committee recommends the Liquor (Rural Hotels Concession) Amendment Bill 2017 be passed.

1. Introduction

1.1 Role of the committee

The Legal Affairs and Community Safety Committee (committee) is a portfolio committee of the Legislative Assembly which commenced on 27 March 2015 under the *Parliament of Queensland Act 2001* and the Standing Rules and Orders of the Legislative Assembly.¹

The committee's primary areas of responsibility include:

- Justice and Attorney-General, Training and Skills, and
- Police, Fire and Emergency Services, and Corrective Services.

Section 93(1) of the *Parliament of Queensland Act 2001* provides that a portfolio committee is responsible for examining each bill and item of subordinate legislation in its portfolio areas to consider:

- the policy to be given effect by the legislation
- the application of fundamental legislative principles, and
- for subordinate legislation – its lawfulness.

Mr Robbie Katter MP, Member for Mount Isa, introduced the Liquor (Rural Hotels Concession) Amendment Bill 2017 (Bill), a Private Member's Bill, into the House on 23 March 2017. The Bill was referred to the committee on that day.

In accordance with the Standing Orders, the committee was required to report to the Legislative Assembly by 25 September 2017.

1.2 Inquiry process

In response to the committee's invitation to stakeholders and subscribers on 3 April 2017 to lodge written submissions, the committee received 19 submissions (see Appendix A).

On 5 June 2017, the committee received written advice from Mr Katter in response to matters raised in submissions.

The committee held a public briefing with Mr Katter on 24 May 2017. A public hearing was held on 23 August 2017. Seven public roundtable discussions were held on the Bill:

- 6 June 2017 – Normanton
- 8 June 2017 – Thursday Island
- 10 July 2017 – Cunnamulla
- 11 July 2017 – Charleville and Blackall
- 12 July 2017 – Longreach, and
- 13 July 2017 – Hughenden.

See Appendix B for a list of the witnesses at the public roundtable discussions and the public hearing.

The submissions, the correspondence from Mr Katter and the transcripts of the public briefing and public hearings are available from the committee's webpage at:

www.parliament.qld.gov.au/work-of-committees/committees/LACSC/inquiries/current-inquiries/LHRCAB2017.

¹ *Parliament of Queensland Act 2001*, s 88 and Standing Order 194.

1.3 Policy objectives of the Liquor (Rural Hotels Concession) Amendment Bill 2017

The objective of the Bill is to ‘reduce unnecessary non-operational costs for venues in small remote communities to support their viability and the services they offer to the community’ by creating a concessional fee for commercial hotel licences in very remote Queensland.²

1.4 Consultation on the draft Bill

Before the Bill was introduced into the Legislative Assembly, consultation was undertaken with stakeholders including the Queensland Hotels Association (QHA) and individual licence holders.³

1.5 Should the Bill be passed?

Standing Order 132(1) requires the committee to determine whether or not to recommend the Bill be passed.

After examination of the Bill, including the policy objectives which it would achieve and consideration of the information provided by Mr Katter and from submitters and witnesses, the committee recommends that the Bill be passed.

Recommendation 1

The committee recommends the Liquor (Rural Hotels Concession) Amendment Bill 2017 be passed.

² Explanatory notes, p 1.

³ Explanatory notes, p 2.

2. Examination of the Liquor (Rural Hotels Concession) Amendment Bill 2017

The Bill proposes to amend the *Liquor Act 1992* (Liquor Act) to introduce a concessional commercial hotel licence fee for hotels located in ‘very remote Australia’.

‘Very remote Australia’ is defined in the Bill as ‘the area classified under that name in the Australian Statistical Geography Standard, volume 5 – Remoteness Structure, July 2011 ... published by the Australian Bureau of Statistics on its website.’⁴

The concessional licence fee payable for the licence period would be assessed at the rate of 10% of the licence fee that would be payable if the premises were not in very remote Australia. At the time the Bill was introduced, the base fee for a commercial licence hotel in Queensland without a detached bottle shop was \$3,507. At present, the fee is \$3,630⁵ so the Bill would reduce the fee to about \$360.

Around 110 hotels would have their licence fee reduced by the Bill, resulting in lost revenue for the Queensland Government of approximately \$300,000.⁶

2.1 Background to the Bill

Mr Katter contended that hotels in very remote areas should not have to pay the same fee as hotels in Brisbane:

This Bill recognises that operators in small communities face different issues than other areas – we need to move away from a one-size fit all approach and recognize the small operators in remote Queensland and the service they provide to small communities.

*Remote communities contain a relatively smaller pool of potential patrons and income for venues in these areas can be highly impacted by external factors and seasonality. Therefore, profitability is extremely low even with the highest level of commercial prudence.*⁷

Mr Katter advised that the Bill recognises that hotels in very remote areas are vital to the community, often serving as a social hub and providing services beneficial to outback tourism. To illustrate, he described a particular pub in a very remote area:

There are always a few people in that pub. It would mean everything to the people in that town. It is a central place if there is a rodeo or if tourists are travelling through the town that is where you stop for directions. It provides the only internet service and the only accommodation in the town.

*Without that pub, the town would collapse completely, along with the social fabric of the town. He is paying 3½ grand which is the same as what a pub in Brisbane pays.*⁸

Regarding the objective of the Bill, Mr Katter stated:

This Bill recognises the need to reduce unnecessary non-operational costs for venues in small remote communities to support their viability and the service they offer to the community.

...

... this Bill is NOT to encourage or promote more consumption of alcohol by patrons.

⁴ Clause 3: proposed new s 202A(5).

⁵ Liquor Regulation 2002, s 36A(1). See also the Justice Legislation (Fees) Amendment Regulation (No. 1) 2017, s 79(1). The Justice Legislation (Fees) Amendment Regulation (No. 1) 2017 commenced on 1 July 2017 (s 2).

⁶ Explanatory notes, p 2; Mr Robbie Katter MP, Queensland Parliament, Record of Proceedings, 23 March 2017, p 859.

⁷ Mr Robbie Katter MP, correspondence received 5 June 2017, p 1.

⁸ Queensland Parliament, Record of Proceedings, 23 March 2017, p 859.

It is also not designed to encourage the opening of additional venues in small centres.

... the Bill is designed to alleviate the operational costs on pubs currently providing more services to their small communities than just serving alcohol. ...

If we in some small way can recognize hotels or pubs in Rural areas of the valuable service they provide to their communities by alleviating their costs in a small way to remain open and continue to provide that service, it will be well received and appreciated by ALL members of the community.⁹

2.2 Commercial hotel licence fees

A commercial hotel licence is one of the licences that may be granted and held under the *Liquor Act 1992*.¹⁰ It authorises the licensee to sell liquor at certain times and places to certain people.¹¹

Historically, hotel licence fees in Queensland have been calculated using various methods based on criteria such as location, assessed value and the gross amount payable for liquor purchased.¹²

Under the current system, the licence fee payable for a licence for a licence period is calculated by totalling the base fee for the licence plus the fee for each risk criterion applying to the licence.¹³ The base fee for a licence is the total of \$3,630 and \$4,032 for each detached bottle shop approved for the licence.¹⁴ The risk criteria are related to extended or authorised trading hours and compliance history.¹⁵

2.3 Support for the Bill

The majority of stakeholders supported the Bill.¹⁶ In many instances, these stakeholders identified the role that hotels play in very remote communities, and the perceived unfairness of very remote hotels having to pay the same fee as hotels in areas with larger populations. Some stakeholders described the struggle of certain hoteliers to pay the licence fee in addition to their other operating costs. A number of hoteliers who participated in the committee's inquiry expressed the view that a reduction in the licence fee as proposed by the Bill would be of assistance to their business. Some also discussed flow-on benefits for their local community, such as through extra employment.

2.3.1 Role of hotels in very remote areas

The committee heard many testimonials to the centrality of hotels in very remote communities. Examples of these are provided below.

⁹ Mr Robbie Katter MP, correspondence received 5 June 2017.

¹⁰ *Liquor Act 1992*, s 58(1). Other licences include commercial special facility licences, community club licences and nightclub licences.

¹¹ *Liquor Act 1992*, s 60.

¹² See Appendix C for a summary of the history of commercial hotel fees in Queensland.

¹³ *Liquor Regulation 2002*, s 36(1); *Liquor Act 1992*, s 202(1). The licence period for a licence is a financial year: *Liquor Act 1992*, s 200.

¹⁴ *Liquor Regulation 2002*, s 36A(1). At the time of the introduction of the Bill, the figures were \$3,507 and \$3,896 respectively.

¹⁵ *Liquor Regulation 2002*, ss 36B, 36C.

¹⁶ Two of the stakeholders expressed support for the Bill on the proviso that remote hotel owners would not have to make up the \$300,000 shortfall in some other way, such as through a tourist tax: Kim Dalitz, Central Hotel, and Liz Rose, Purple Pub, public roundtable transcript, Normanton, 6 June 2017, pp 1-2.

Ms Kim Trad, Longreach Tavern:

*Rural and country hotels are the backbone of these communities. We are more than just social venues; we are a community meeting place, a fundraiser for local events and charities and a support network and lifeline to many people living and working both in and around town.*¹⁷

Mr Tom and Mrs Andrea Duddy, Prairie Hotel:

*Bush pubs are far more to communities than a place to socialise. The pub is also the information centre for the district, the grocery store, meeting place and parcel drop off.*¹⁸

*It is like the hub. In a small town like this, if someone wants information they come to us or if someone is going bush they drop cars off at our place and we look after their vehicles. Someone will come and pick them up and they can leave their vehicle with us—anything. If they buy dogs or chooks they get dropped off with us and I look after them until they can pick them up. I guess it has a very strong importance, and I think that is why a lot of hotels are the last ones standing sometimes, when all of the other businesses close down, because they are so important to the community.*¹⁹

Mr Shane McCarthy, President, Hughenden Golf Club:

In small towns, country pubs are the meeting place. That is where the wake happens. They sponsor the local teams. They sponsor the local junior to go away somewhere.

...

*They are the social fabric of the town. They are also one of the major employers. ... The two pubs here employ about 30 people. There was a major disruption in this town not that long ago when we lost 20 jobs through the railway. I think that equates to about 8,000 jobs in Brisbane. Thirty jobs is major.*²⁰

Mr Doug Faircloth, Hotel Cunnamulla:

*We provide a place of refuge for a lot of people, from domestic violence victims to people who are down on their luck. We do that particularly at the Cunnamulla, either for free or for a very minimal cost.*²¹

Mrs Marion Branson, Coronas Hotel:

*The hotel plays a very important role in the town. Firstly, it is a drawcard for the tourists to come here. They may not spend money in the hotel itself. They may just walk through and have a look at it, but it is a drawcard. Hopefully, they will buy fuel or groceries in town. When the hotel was closed for 14 months prior to us reopening it, the town really felt it. It was nearly the demise of this town.*²²

Ms Janelle Jackson, Eulo Queen Hotel:

... I should have a tourist information job because nine times out of 10 people just walk in and say, 'Where's this? Where's that? How do we get there? Who's this? Who's that? Where's that at?' You do not sell them a drink; you spend half your time giving them directions.

...

¹⁷ Submission 12, p 1.

¹⁸ Submission 9, p 1.

¹⁹ Public hearing transcript, Brisbane, 23 August 2017, pp 14-15.

²⁰ Public roundtable transcript, Hughenden, 13 July 2017, p 3.

²¹ Public roundtable transcript, Cunnamulla, 10 July 2017, p 2.

²² Public roundtable transcript, Charleville, 11 July 2017, p 1.

*AgForce meets at our pub. The polocrosse meets at our pub. The sports clubs meet at our pub. The wild dog trapping group meets at our pub. It is the meeting place. All your council meetings are all there. Anything to do with funding is held at the pub. We need to keep these places open. They are not there just to consume as much alcohol as you like; sometimes, it is just there so that you can listen to them.*²³

Mount Isa City Council:

*Communities often use these licenced venues as a place to catch up, hold town and district meetings, Bachelor and Spinster Balls and generally socialise. They also, in many instances, represent the cultural and historical value of the local area set by past generations; be it by a collection of memorabilia, historical architecture or verbal narratives of locals and past events by the licensee.*²⁴

Mrs Margaret and Mr Bruce Beale, Mungallala Club Hotel:

*The Mungallala Club Hotel is a small family owned and operated hotel in Mungallala in western Queensland 608 km west of Brisbane. We are the only business in the town since the general store, café and service station closed down so we are basically the community hub for the local people.*²⁵

The owner of the Adavale General Store, Mr Koss Siwers, explained at the public hearing that, in addition to selling alcohol, he provides accommodation in his home next to the hotel, sells hot drinks and food, provides information about local history to tourists as well as operating the post office. On occasion, he drives patrons home if they have had too much to drink.²⁶

Councillor Joann Woodcroft, Paroo Shire Council:

*On the social side of things, hotels are very important to our community. They give people in the community an opportunity to gather and share their experiences. We face a lot of adversity. We have droughts and economic downturns. It is a place where we can meet and talk. It is good for our social wellbeing. It is also a place where people meet. We are limited in other venues where we can have our meetings. A lot of community clubs can meet there. I know our local shire meets at the hotel and the chamber of commerce meets there.*²⁷

Mr Graham Fitch, the owner of the Royal Mail Hotel, listed some of the additional functions that his hotel fulfils. These include:

*... the Australia postal service, recorder and transmitter of Bureau of Meteorology readings (rain and river), and is also the contact point for the Royal Flying Doctor Service (RFDS), as well as the community meeting place. The Hotel voluntarily transports, stores and maintains the fuel needs for the RFDS planes as well as donating time and resources to the medical staff when they attend the monthly clinics and any emergencies.*²⁸

Councillor Kate Downie, Flinders Shire Council, Great Western and Royal Hotels, Hughenden:

We are the fabric of these communities. We are the meeting place. We are the major private employers. We are the community sponsors. We are the people the town turns to for support. It has very little to do with alcohol. Without us, these towns simply do not exist. This bill has much more than monetary value. It is an acknowledgement that, once again, one rule does not fit all

²³ Public roundtable transcript, Cunnamulla, 10 July 2017, pp 5-6.

²⁴ Mount Isa City Council, submission 18, p 1.

²⁵ Margaret and Bruce Beale, Mungallala Club Hotel, correspondence dated 22 May 2017.

²⁶ Public hearing transcript, Brisbane, 23 August 2017, pp 11, 12.

²⁷ Public roundtable transcript, Cunnamulla, 10 July 2017, p 1.

²⁸ Mr Graham Fitch, Royal Mail Hotel, submission 16, p 2.

*and it is a display of understanding from our government that rural and remote Queensland is being heard and understood.*²⁹

2.3.2 Same base licence fee for all hotels

Many stakeholders were of the view that it was unreasonable that hotels in very remote areas of Queensland have to pay the same licence fee as the hotels in located in places with larger populations.³⁰ The QHA, for example, submitted:

*... licence fees are a significant impost on businesses throughout the state, however, this is unevenly felt in rural and regional areas. A standardised license fee may appear administratively simple from the view of Queensland Government, however the ability of country pubs to recoup these costs is severely limited.*³¹

Mr Chris Gimblett, Yaraka Hotel, contended that it is a ‘serious flaw’ in the current liquor licensing regime that there is a common fee for all hotels given the monthly or weekly takings of large hotels exceed the annual turnover of many hotels in very remote areas.³²

Councillor Downie asserted:

*Rural hotels cannot be adequately compared to the hotels in Brisbane or any other major centre. We do not possess the capacity to generate the income, as we do not have the population. If a pub is struggling in Brisbane, it is struggling for much different reasons.*³³

Some of the hotels that would be affected by the Bill operate in areas with very small populations. Mr Siwers, for example, advised that the population in Adavale is approximately 15 people. He gave an idea of the volume of his hotel business by describing the amount of alcohol he purchases every two months: ‘... I would fill the back of my car with about 10 cartons of cans, stubbies, and that is it for two months—plus maybe some mixed spirits. I do not sell a lot of alcohol.’³⁴

Some stakeholders mentioned the impact that declining populations in very remote areas have on the towns, and in particular the hotels, in those areas.³⁵ Mrs Duddy, for example, described Prairie and her hotel’s role in the town:

Our town population is about 30 people and, unfortunately, over the years we have seen the decline in population with the Rollo Station closing down and losing families from town. We lost our postal service when the post office closed down and our butcher shop closed down. Then we lost our cafe and service station. We are the last business in the town. We are a meeting place and I guess the hub of the community. There are obviously lots of struggles and challenges in living out here in a small community. Also we have been in four years of drought. Not only do the

²⁹ Public roundtable transcript, Hughenden, 13 July 2017, p 2.

³⁰ See, for example, Golden West Hotel, submission 3, p 1; Imperial Hotel, submission 10, p 1; Boulia Hotel, submission 11, p 2; Dajarra Hotel, submission 15, p 1; Adavale Pub, submission 4, p 1; Brett (‘Frog’) Daniels, Albion Hotel, public roundtable transcript, Normanton, 6 June 2017, p 1; Mr Noel Sullivan, Billabong Hotel Motel, public roundtable transcript, Cunnamulla, 10 July 2017, p 2; Mr Doug Faircloth, Hotel Cunnamulla, public roundtable transcript, Cunnamulla, 10 July 2017, pp 2, 8; Mr Chris Van’tHof, Club Hotel, public roundtable transcript, Charleville, 11 July 2017, p 2.

³¹ Queensland Hotels Association, submission 2, p 1.

³² Mr Chris Gimblett, Yaraka Hotel, correspondence dated 17 August 2017.

³³ Public roundtable transcript, Hughenden, 13 July 2017, p 2.

³⁴ Public hearing transcript, Brisbane, 23 August 2017, p 10.

³⁵ See for example, Councillor Joann Woodcroft, Paroo Shire Council, public roundtable transcript, Cunnamulla, 10 July 2017, p 1; Councillor Kate Downie, Flinders Shire Council, representing the Great Western Hotel and the Royal Hotel, public roundtable transcript, Hughenden, 13 July 2017, p 7; Ms Andrea Duddy, Prairie Hotel, public hearing transcript, Brisbane, 23 August 2017, p 14; Mr Graham Fitch, Royal Mail Hotel, public hearing transcript, Brisbane, 23 August 2017, p 17.

graziers suffer with that; it also has a flow-on effect to small businesses in the extended area—areas like Hughenden. When they are struggling and doing it tough, obviously they do not come out as much and they do not socialise as much, I guess.

Our business is based on tourist trade. Six months of the year we have what we call the grey nomads Six months of the year is our opportunity to trade and the other six months of the year we hope it will rain. It does not always happen. When it does rain, though, the roads get cut and there is another challenge. We quite often get cut off from the rest of the place.³⁶

...

The foot traffic that we would have in a day they would probably have in 15 minutes or 20 minutes on the coast. There is no comparison really, even when we are really busy, in terms of the trade that we would have in an hour. Sometimes you do not see anyone all day ...³⁷

Ms Liz Rose, Purple Pub, stated:

I think we need this bill. We need to get shown that somebody does care a little bit about us out here. We get all the same liquor licensing act, but we will never be able to compete with the city. For us to have to pay those same fees, to me, is just unfair. We have to follow every restriction that is in place on a city hotel, because that is where the population is, but they do not get the same restrictions that we get out here. They do not have to play really by the same rules that we get imposed.³⁸

2.3.3 Proposed reduction in the licence fee

Mr Katter explained the rationale for the proposed 90% reduction in the liquor licencing fee for very remote hotels:

It was pretty arbitrary. I was just trying to take it to a level. I have the benefit of being a rural valuer before becoming a member of parliament, so I saw the Ps and Ls of a lot of pubs. I have a fair idea of what they make out in these areas. I tried to put my commercial hat on. There is no point in going through this whole exercise of legislating and wasting the parliament's resources on this if it were something that would not really make much of a difference. I thought that those numbers seemed to work pretty well—3½ grand and 350 grand. I think that is a meaningful decrease. There was not a lot of science to it. It was pretty arbitrary.³⁹

Mr Katter acknowledged that the proposed reduction in licence fees is 'not a game changer'⁴⁰ but he was of the view that hotels in very remote areas 'are all on wobbly wheels and we have to do what we can to try to keep them alive.'⁴¹

³⁶ Public hearing transcript, Brisbane, 23 August 2017, p 14.

³⁷ Public hearing transcript, Brisbane, 23 August 2017, p 14.

³⁸ Public roundtable transcript, Normanton, 6 June 2017, p 5. See *Liquor Act 1992*, Part 6A and *Liquor Regulation 2002*, ss 37A, 37B for detail regarding the restricted areas.

³⁹ Public briefing transcript, Brisbane, 24 May 2017, p 2.

⁴⁰ Public roundtable transcript, Hughenden, 13 July 2017, p 1; public briefing transcript, Brisbane, 24 May 2017, p 1.

⁴¹ Public briefing transcript, Brisbane, 24 May 2017, p 1.

Many stakeholders asserted that the proposed reduction in the licence fee would be of assistance to hotels in very remote areas.⁴² Mr Siwers, for example, stated: 'That would be an enormous help for me and I think it would make me feel like the system is a little bit fair.'⁴³

Mr and Mrs Duddy commented favourably on the Bill and described the struggle of paying the annual licence fee:

*To change the existing rigid Liquor Licensing framework to reflect our unique circumstances of living in remote Australia, would be extremely welcomed. Living in remote Australia provides many challenges, the weather conditions, on-going drought, closure of services and limited access to many services and medical facilities all has an incredible impact on our way of life. ... As the population in small towns such as ours continues to decline, so does our trade. The closure of several small outback hotels continues to increase. We simply can't afford high government fees. Finding the \$3507.00 to cover the OLGR Commercial Hotel License fee is not only daunting but a struggle each year. To see a concessional fee for Commercial Hotel Licenses in very remote Australia would be a benefit to us and the Outback tourism industry which contributes so much to the country.*⁴⁴

At the public hearing Mrs Duddy provided further detail:

*... I was only going through the figures last night—\$3,273 in 2014, \$3,388 in 2015 and it has just risen and this year we have just paid \$3,630. That is money that can go towards building improvements or making our services better or improving what we do. It is a struggle. I will not tell a lie, but it is a struggle to find that money. Sometimes that would be well over a month's takings for us, so that is standing and serving customers for 10 or 15 hours a day by the time you have cleaned and closed up. We are doing that day after day, seven days a week, and then you have to pass that all on so that you can keep trading. ...*⁴⁵

Mr Steve Mills, owner of the Federal Hotel and Jardine Motel was of the view that the proposal 'is much needed much too late – badly needed'.⁴⁶

Councillor Downie held the view that the reduction in licence fees 'is not going to move mountains' but it would 'give some slight relief to our current financial commitments.'⁴⁷ Ms Eva Garde, owner of the Croydon Club Hotel, similarly commented that the proposed saving 'will help, but it will not make that much difference. But we appreciate anything.'⁴⁸

⁴² See for example, Muckadilla Hotel, submission 8, p 1; Longreach Tavern, submission 12, p 1; Federal Palace Hotel, submission 17, p 2; Eva Garde, Croydon Club Hotel, public roundtable transcript, Normanton, 6 June 2017, p 2; Mungallala Club Hotel, correspondence dated 22 May 2017; Chris Lemke, Grand and Royal Hotels, public roundtable transcript, Thursday Island, 8 June 2017, p 2; Steve Mills, Federal Hotel and Jardine Motel, public roundtable transcript, Thursday Island, 8 June 2017, p 3; Jared Lemke, Torres Strait Hotel, public roundtable transcript, Thursday Island 8 June 2017, p 4; Justine McIntosh, Queensland Police Service, public roundtable transcript, Thursday Island, 8 June 2017, p 5; Victoria Ashford, Warrego Hotel, public roundtable transcript, Cunnamulla, 10 July 2017, pp 3, 6; Marion Branson, Coronas Hotel, public roundtable transcript, Charleville, 11 July 2017, p 2; Roly Gooding, Commercial Hotel, public roundtable transcript, Longreach, 12 July 2017, p 5; Peter Homan, Outback Tourism, public roundtable transcript, Longreach, 12 July 2017, pp 6, 8; Andrea Duddy, public hearing transcript, Brisbane, 23 August 2017, p 15.

⁴³ Public hearing transcript, Brisbane, 23 August 2017, p 11.

⁴⁴ Prairie Hotel, submission 9, p 1.

⁴⁵ Public hearing transcript, Brisbane, 23 August 2017, p 15.

⁴⁶ Mr Steve Mills, Federal Hotel and Jardine Motel, public roundtable transcript, Thursday Island, 8 June 2017, p 3.

⁴⁷ Public roundtable transcript, Hughenden, 13 July 2017, p 2. See also, public roundtable transcript, Hughenden, 13 July 2017, p 3.

⁴⁸ Public roundtable transcript, Normanton, 6 June 2017, p 2.

Mr Chris Van'tHof, Club Hotel, advised that the proposed fee would benefit his business:

*It would help. It is another fee that we have to try and find. It is an additional cost that gets built in to the whole of the business. At the moment we are looking for every dollar that we can save to try and cover our running costs.*⁴⁹

When asked what a licence fee would mean for his business, Mr Fitch stated, 'it would help us stay alive for a while longer ... it would be a big help in that aspect'.⁵⁰ Mr Fitch advised that he would not be able to afford to pay the fee at the level it is at the moment if it were not for Australia Post and the mail run he does.⁵¹

Mr Koss stated that if the Bill is passed it would mean that he would not have to withdraw further money from his superannuation to pay the licence fee:

*It means that I would not have to take that amount of money out of my superannuation, which is what I am surviving on at the moment. I think I have worked out that I have another five years I can survive on unless something happens. Every July I come across the lovely letter I get from OLGR. I am an ex-teacher, so I did not know much about pubs and things. Then I go 'Oh, my God. I've got to find 3½ grand!' I look at the bank statement and there is only four grand in there, if I am lucky. Three or four times I have had to go to my super and take that money out just to stay there.*⁵²

Councillor Rick Brain, Paroo Shire Council, representing the local bowling club, considered that the proposed concession would be beneficial:

*Over ... 20 years I have seen a severe downturn in the community economic component. Any kind of relief within the rural liquor licensing cost would be so much of a benefit for these people who are choosing to invest in our community.*⁵³

When asked what the money saved on the licence fee would be spent on, witnesses at the public roundtable at Normanton advised that it may be used for 'promotion purposes',⁵⁴ 'stock, transport and bills'⁵⁵ or for 'general fees and charges'.⁵⁶ Mr Van'tHof suggested that the extra money could be spent on employment or lower costs or promotion of the hotel.⁵⁷ At Thursday Island, witnesses advised that any money saved would be used to reinvest in the business, perhaps going towards a part-time employee, or perhaps into supporting community projects.⁵⁸

Mr Noel Sullivan, Billabong Hotel Motel at Cunnamulla, advised similarly to some other stakeholders that the saved amount would likely be spent on wages:

⁴⁹ Public roundtable transcript, Charleville, 11 July 2017, p 3.

⁵⁰ Public hearing transcript, Brisbane, 23 August 2017, p 17.

⁵¹ Public hearing transcript, Brisbane, 23 August 2017, p 17.

⁵² Public hearing transcript, Brisbane, 23 August 2017, p 11.

⁵³ Councillor Rick Brain, Paroo Shire Council, representing the bowls club, public roundtable transcript, Cunnamulla, 10 July 2017, p 3.

⁵⁴ Mr Brett ('Frog') Daniels, Albion Hotel, public roundtable transcript, Normanton, 6 June 2017, p 2.

⁵⁵ Kim Dalitz, Central Hotel, public roundtable transcript, Normanton, 6 June 2017, p 2.

⁵⁶ Ms Liz Rose, Purple Pub, public roundtable transcript, Normanton, 6 June 2017, p 2.

⁵⁷ Public roundtable transcript, Charleville, 11 July 2017, p 5.

⁵⁸ Mr Chris Lemke, Grand and Royal Hotels, public roundtable transcript, Thursday Island, 8 June 2017, p 3.

I do not think anyone would pocket that money. I think you would find it would be reinvested in wages. You have \$4,000 there; that is 200 hours wages—four or five hours a week for a casual where it could be used.⁵⁹

Some stakeholders were of the view that the Bill would benefit the communities in which very remote hotels are situated. Ms Kimberley Lemke, Torres Strait Hotel, stated:

I think this proposal is wonderful because in a small community it is a roll-on effect; it is a ripple effect. We are all family oriented businesses, small businesses at that, and we do serve the locals and we put them first. That is where all our money come from – from locals. ... I think it will be a good benefit to us.⁶⁰

2.4 Amendments to the Bill proposed by stakeholders

Clubs Queensland and the QHA supported the Bill but recommended that its coverage be extended. One submitter recommended that the Bill be made retrospective.

2.4.1 Clubs

Clubs Queensland supported the Bill but was concerned that if the Bill is passed, clubs in very remote areas would have to pay higher licence fees than hotels in those regions.⁶¹

At present, the base fee for a community club licence is:

- for a club with 2,000 members or less - \$671.10
- for a club with more than 2,000 members - \$2,957.⁶²

Clubs Queensland submitted the Bill would create a financial impediment for the 32 clubs operating in very remote areas of Queensland.⁶³ These clubs include RSLs, bowls clubs, golf clubs, social clubs and recreational clubs, that range in size from around 20 members to over 1,000 members. The majority, if not all, the clubs in very remote areas of Queensland have less than 2,000 members.⁶⁴

Clubs Queensland encouraged the committee to recommend that the Bill be amended or a further Bill be introduced ‘to address the financially uncompetitive environment visited upon the community clubs sector as a consequence of the currently proposed amendments.’⁶⁵ Mr Dan Nipperess, Workplace Relations and Compliance Manager, Clubs Queensland described the climate in which the clubs in very remote areas are operating and why they would benefit from a reduction in the liquor licensing fee:

The feedback we are getting from our members in regional Queensland is that the operating environment is extremely difficult at the moment. We are dealing with clubs in regional areas which are affected by industry, whether that be mining downturns or simply trade issues. The profit margins of these clubs are extremely tight. They are very much volunteer based organisations so they are operating with extremely tight profit margins.

⁵⁹ Public roundtable transcript, Cunnamulla, 10 July 2017, p 4. See also, Brett Cooper, public roundtable transcript, Charleville, 11 July 2017, p 4; Graham Fitch, public hearing transcript, Brisbane, 23 August 2017, p 17.

⁶⁰ Public roundtable transcript, Thursday Island, 8 June 2017, p 2. See also, Councillor Joann Woodcroft, Paroo Shire Council, public roundtable transcript, Cunnamulla, 10 July 2017, p 2.

⁶¹ Clubs Queensland, submission 1.

⁶² Liquor Regulation 2002, s 36A(4). In the 2016-17 financial year, the figures were \$648.40 and \$2,857 respectively.

⁶³ Clubs Queensland, submission 1.

⁶⁴ Mr Dan Nipperess, Clubs Queensland, Public hearing transcript, 23 August 2017, p 2.

⁶⁵ Clubs Queensland, submission 1, p 2.

*Having a concession, albeit quite minor in terms of their base licensing fee, would still provide a lot of benefits to those clubs. I think it is also about providing them with a degree of understanding that the state government and peak bodies are thinking of them. That is certainly something that is valued, especially when I have been dealing directly with those clubs, by way of their members and management committees.*⁶⁶

When questioned about Club Queensland's recommendation, Mr Katter advised that he considered that the difference between \$600 (approximately the licence fee for clubs with 2,000 members or less) and \$350 (approximately the proposed fee under the bill) is 'fairly insignificant'.⁶⁷ He continued:

*... I think if you visited the Barcaldine Golf Club, or the Cloncurry Bowls Club and asked, 'Do you have an objection to the pubs paying \$350 and you not getting any decrease?', I do not think that anyone is going to arc up and say, 'That's an outrage that they are paying \$350 less than us.' My understanding is that their fees do not go up from this bill. If they say they are disadvantaged, they are not. They are not paying more. They are just paying the same. They are just saying, 'We're not getting the same fee.'*⁶⁸

Nevertheless, Mr Katter advised:

*While most rural centres that qualify under this Bill would struggle to have an operating club in existence outside of the local Hotel, I would be happy to support an amendment, should the Committee recommend it to include affected Clubs with less than 2,000 members in the same region as the Hotels covered under the proposed Bill.*⁶⁹

The Queensland Coalition for Action on Alcohol (QCAA) contended that the fee for clubs with less than 2,000 members should be increased.

*The base fee for some licence types is particularly low. For example, a commercial hotel licence has an annual base fee of \$3,507 whereas a community club with 2,000 members or less has a base licence fee of \$628.40. The fee for community clubs needs to be re-calculated to better reflect the same administrative burden that applies to other licensed venues and venues with similar capacity, and the costs associated with addressing the harms from alcohol.*⁷⁰

2.4.2 Hotels in coastal/regional areas

The QHA supported the Bill but contended that the concessional fee should also be applied to licence holders in regional/coastal areas because they too are at a disadvantage compared to hotels in more heavily populated areas. The QHA submitted:

Pubs in country areas are at a significant disadvantage as there is no opportunity to increase their trade or defray costs for much of the year. This is particularly evident in areas where seasonal industries dictate population. For example, western Queensland may be popular for driving tourist[s] in winter but [it] relies on a very small local population throughout the rest of the year. Similarly, those areas that rely upon agricultural production do not have large populations year round.

*The QHA recommends to the Parliament that showing consideration for those license holders in regional and remote areas, whilst not directly solving the issue of attracting more custom, would certainly alleviate the cost burden on the industry.*⁷¹

⁶⁶ Public hearing transcript, 23 August 2017, p 3.

⁶⁷ Public briefing transcript, 24 May 2017, p 2.

⁶⁸ Public briefing transcript, 24 May 2017, p 2.

⁶⁹ Mr Robbie Katter MP, correspondence received 5 June 2017.

⁷⁰ Queensland Coalition for Action on Alcohol, submission 19, p 5.

⁷¹ Queensland Hotels Association, submission 2, pp 1-2.

At the public hearing, the Industry Engagement Manager for QHA, Mr Damian Steele, admitted that it was difficult to identify in legislation the hotels that needed assistance:

That is a difficult question. That was the challenge. We did have a bit of consultation with Robbie Katter when we were discussing this particular bill. The challenge was exactly that: how do you define a particular area? We settled on a defined area that is already existing through that Australian geographic standard. It is extremely challenging because, as I mentioned in my opening statement, there are those variables which are often seasonal, weather driven, event driven or economy driven which make an area challenged for whatever reason.

To answer your question, I do not have a finite number of venues that could potentially be affected, but we know outside those very remote areas are other areas that are certainly depressed and impacted and doing it tough. We have been into the Mackay region, Collinsville, Moranbah and Blackwater. Many of these regions are doing it extremely tough as well and certainly the argument would stack up justifiably for many small venues in those locales that are outside the very remote classification, but it is a challenge to say how you do it.⁷²

In response to a question about a different basis for licence fees, Mr Steele stated:

Our preferred position would be a set fee as it stands now. I know that historically there once was a volumetric based licence fee. I think it is quite hard to unscramble that egg now that it is the modern regime. It is a difficult question: how do you quantify who should be justifiably receiving a lower rate? I think population is probably one of the ways we could approach it. I have not done any detailed investigation and we have not advocated for that specifically, but the same context of the club membership, 2,000 or less—perhaps there is a way we can look at small venues that do not have particular products. For example, they do not have gaming machines or they do not have detached bottle shops; they are a basic hotel licence in a remote community or a regional community outside that definition. There could be scope around the population and the catchment area.⁷³

Mr Katter also acknowledged the difficulties with identifying hotels that should be given assistance and those that should not:

I admit that this is not a perfect system. There will be little pubs that are not captured in this bill and maybe some big ones that you think probably should pay.⁷⁴

Further:

... I think there would be anomalies only here and there in terms of someone just falling out of the area. The bill captures most of them. I cannot recall the numbers, but when we went through with a fine toothcomb trying to pick some that might be left out, there might have been 10 or something that we thought might have a bit of a gripe, but I do not think that it would be very significant.⁷⁵

2.4.3 Backdating the fee reduction

Mr Chris Gimblett, Yaraka Hotel, suggested the committee consider backdating the proposed amendment to the Liquor Act. This, Mr Gimblett contended, 'would give small community hotels an economic boost enabling them to put back into their business funds, funds that are so desperately needed in these harsh economic times.'⁷⁶

⁷² Public hearing transcript, Brisbane, 23 August 2017, p 8.

⁷³ Public hearing transcript, Brisbane, 23 August 2017, p 8.

⁷⁴ Public briefing transcript, Brisbane, 24 May 2017, p 3.

⁷⁵ Public briefing transcript, Brisbane, 24 May 2017, p 4.

⁷⁶ Mr Chris Gimblett, correspondence dated 17 August 2017.

2.5 Opposition to the Bill

The QCAA did not support the Bill's objective of reducing licence fees for hotels in very remote areas. Professor Jake Najman advised that QCAA holds that nothing should be done that reduces the cost of alcohol and that decisions should be made which have the best impact on health outcomes.⁷⁷

The QCAA stated that licence fees contribute to the cost of the regulatory system which was introduced to protect communities from harm connected with the consumption of alcohol.⁷⁸ The QCAA asserted that the Bill was flawed because 'Queensland already has a risk based licensing system in place that recognises the different risks associated with the sale and consumption of alcohol depending on the environment in which the alcohol is sold.'⁷⁹

In his opening remarks at the public hearing Professor Najman stated:

*One part of me is incredibly sympathetic to the issues that exist in rural and remote Australia and the real difficulties that are faced by people living in those areas. The other side of me looks at the evidence and says, 'They are drinking substantially more per head of population than people in urban parts of Australia are.'*⁸⁰

He continued:

*... one of the elements of our submission is that we should be thinking of a taxing regime that is related to the quantity of alcohol sold. That would benefit many rural and remote areas because, although the consumption per head is high, the numbers are low. The quantity of alcohol being sold by many of these rural and remote venues is not likely to be the same as, say, in Fortitude Valley. One option would be to have a taxing regime or a form of income coming from registration of these venues that relates to the quantity of alcohol they are selling. That might both reduce the tax burden on many of them and, at the same time, recognise that there is a need to create some level of modest disincentive to reduce consumption in the very high consumption venues.*⁸¹

In response to the QCAA submission, Mr Katter stated:

While I understand the organisations concerns into the effects of alcohol, I would like to point out that this Bill is NOT to encourage or promote more consumption of alcohol by patrons.

*It is also not designed to encourage the opening of additional venues in small centres.*⁸²

2.6 Matters outside the scope of the Bill

During the committee's inquiry, many stakeholders commented on matters that impact on hotels but were outside the scope of the Bill. Key amongst these was the cost of electricity.⁸³ Other matters raised by stakeholders included:

⁷⁷ Public hearing transcript, Brisbane, 23 August 2017, p 5.

⁷⁸ Queensland Coalition for Action on Alcohol, submission 19, pp 1-2.

⁷⁹ Queensland Coalition for Action on Alcohol, submission 19, p 2.

⁸⁰ Public hearing transcript, Brisbane, 23 August 2017, p 5.

⁸¹ Public hearing transcript, Brisbane, 23 August 2017, p 5.

⁸² Mr Robbie Katter MP, correspondence received 5 June 2017.

⁸³ See, for example, Muckadilla Hotel, submission 8, p 1; Boulia Hotel, submission 11, pp 1-2; Winton Hotel, submission 14, p 1; Dajarra Hotel, submission 15, p 1; Federal Palace Hotel, submission 17, p 1; Mungallala Club Hotel, correspondence dated 22 May 2017; Councillor Joann Woodcroft, Paroo Shire Council, public roundtable transcript, Cunnamulla, 10 July 2017, p 1; Mr Chris Van'tHof, Club Hotel, public roundtable transcript, Charleville, 11 July 2017, p 2; Mr Roly Gooding, Commercial Hotel, Longreach, 12 July 2017, pp 4; Councillor Downie, public roundtable transcript, Hughenden, 13 July 2017, p 5; Mr Graham Fitch, Royal Mail Hotel, public hearing transcript, Brisbane, 23 August 2017, p 17.

- the ability of consumers to purchase liquor online, in particular the negative impact on hotels⁸⁴
- the high cost to hoteliers of purchasing and shipping liquor⁸⁵
- the difficulties the weather presents for hoteliers, such as road closures⁸⁶
- responsible management of licensed venues (RMLV) training, in particular the cost of travelling to training (often the travel includes overnight accommodation)⁸⁷
- the difficulties associated with being able to attend functions, such as weddings, when the invitees hold all the relevant RMLV certificates for a hotel⁸⁸
- the cost of council rates⁸⁹
- that government assistance is provided to primary producers in the local area in times of drought but is not provided to businesses such as the hotel.⁹⁰

By way of example of the evidence provided on these matters, an extract from the committee's public roundtable discussion at Thursday Island is provided below. It relates to the difficulty of ensuring a person with a RMLV is present at a hotel:

***Mr C Lemke:** If I could recap on Steve's point about taking 28 days for a wedding. Some people who do not live in remote areas would probably think that is excessive. If you live in Brisbane you can shoot off to a wedding and be home that night. Unfortunately, here we have multiple imposts. The cost of the flight from Thursday Island to Cairns alone is over \$500 if you do not book well in advance. It is at least a \$1,000 round trip. If you go to Cairns you try to make the most of it or if you go to Brisbane you try to make the most of it. So logically you would not be gone for a day or two days to a wedding, you would try to extend that out to amortise the cost of those flights. Obviously the accommodation component changes depending on the length of your stay.*

Someone may think what is this guy talking about 28 days for a wedding, but if you cast your mind back to people in those small communities it may be that a husband and wife work together and they are the only two people in the pub and they do not get the opportunity to travel together so when they are fortunate enough to get the opportunity they will spend the extra time to regroup and get to know each other again and talk about something other than

⁸⁴ See for example, Janelle Jackson, Eulo Queen Hotel, public roundtable transcript, Cunnamulla 10 July 2017, p 3; Noel Sullivan, Billabong Hotel Motel, public roundtable transcript, Cunnamulla, 10 July 2017, p 7. See also, public roundtable transcript, Hughenden, 13 July 2017, pp 7-8.

⁸⁵ See for example, Janelle Jackson, Eulo Queen Hotel, public roundtable transcript, Cunnamulla 10 July 2017, pp 3, 7; Marion Branson, Corones Hotel, public roundtable transcript, Charleville, 11 July 2017, p 3.

⁸⁶ See, for example, Birdsville Hotel, submission 13, pp 1-2; Royal Mail Hotel, submission 16, p 1; Federal Palace Hotel, submission 17, p 1; Adavale Pub, submission 4, p 2; Mrs Andrea Duddy, public hearing transcript, Brisbane, 23 August 2017, p 14.

⁸⁷ See for example, Janelle Jackson, Eulo Queen Hotel, public roundtable transcript, Cunnamulla, 10 July 2017, p 9; Shane McCarthy, Hughenden Golf Club, public roundtable transcript, Hughenden, 13 July 2017, p 3; Councillor Downie, public roundtable transcript, Hughenden, 13 July 2017, pp 5-6. The committee notes that RMLV training can now be undertaken using online video conferencing tools: see Chris Lemke, public roundtable discussion, Thursday Island, 8 June 2017, p 4; Queensland Government, Responsible management of licensed venues (RMLV) training, <https://www.business.qld.gov.au/industries/hospitality-tourism-sport/liquor-gaming/liquor/training/management-compliance/management-training>. This link was accessed on 7 September 2017.

⁸⁸ See for example, Janelle Jackson, Eulo Queen Hotel, public roundtable transcript, Cunnamulla, 10 July 2017, p 9; Shane McCarthy, Hughenden Golf Club, public roundtable transcript, Hughenden, 13 July 2017, p 3; Councillor Downie, public roundtable transcript, Hughenden, 13 July 2017, pp 5-6.

⁸⁹ See for example, Marion Branson, Corones Hotel, public roundtable transcript, Charleville, 11 July 2017, p 7; public roundtable transcript, Hughenden, 13 July 2017, p 5.

⁹⁰ See for example, Janelle Jackson, Eulo Queen Hotel, public roundtable transcript, Cunnamulla, 10 July 2017, p 3, 4; Roly Gooding, Commercial Hotel, public roundtable transcript, Longreach, 12 July 2017, p 4.

business. It is difficult when you do have a RMLV on site or a manager on site if you cannot get one of your bar staff to step up. Admittedly in a small community hotel, a lot of the time they will self-regulate. We would all find it difficult to leave without a manager. It would be almost impossible. As Steve said, we are very fortunate in our family situations. We all have an RMLV so if someone wants to go away there is no problem with someone stepping up.

Ms L Lemke: *It is difficult for the whole family to go. If you wanted to take the kids to Disneyland or something as a family, how do you do that?*

CHAIR: *A family wedding would be a challenge?*

Ms L Lemke: *It is.*

Mr C Lemke: *A family wedding is a big challenge. ...*⁹¹

The difficulties associated with RMLVs were also reflected on at other roundtable discussions convened by the committee. At Hughenden, the committee was told:

*The Downie family has a wedding coming up. For them to go, they have to get somebody in. Even though they have two relief managers, because we become part of that family we go away to the wedding, too. Therefore, they have to get someone in. Even some flexibility in those areas would be great.*⁹²

In relation to undertaking RMLV training, Councillor Downie commented:

*We have to have licences, which is fine. I totally agree with having to have compliance and licences and training involved. However, for us, it is not just \$499 to get a manager's licence. I have to take the time away from my business. I have two nights accommodation in Townsville. I have to get there. Before you turn around it is not just \$499. It is not as easy as that. You are looking at \$1,000, \$1,500. You could probably go on forever about it.*⁹³

⁹¹ Public roundtable transcript, Thursday Island, 8 June 2017, p 9.

⁹² Shane McCarthy, Hughenden Golf Club, public roundtable transcript, Hughenden, 13 July 2017, p 3.

⁹³ Public roundtable transcript, Hughenden, 13 July 2017, pp 5-6.

3. Compliance with the *Legislative Standards Act 1992*

3.1 Fundamental legislative principles

Section 4 of the *Legislative Standards Act 1992* (LSA) states that ‘fundamental legislative principles’ are the ‘principles relating to legislation that underlie a parliamentary democracy based on the rule of law’. The principles include that legislation has sufficient regard to:

- the rights and liberties of individuals, and
- the institution of Parliament.

The committee examined the application of the fundamental legislative principles to the Bill and did not identify any issues. The Bill’s provisions do not appear to operate to the detriment of any individual and would benefit commercial hotel licensees located in parts of Queensland that are classified as being ‘very remote Australia’.

3.2 Explanatory notes

Part 4 of the LSA requires that an explanatory note be circulated when a Bill is introduced and sets out the information an explanatory note should contain. Explanatory notes were tabled with the introduction of the Bill. The notes contain the information required by Part 4 and a reasonable level of background information and commentary to facilitate understanding of the Bill’s aims and origins.

Appendix A – List of submitters

Sub #	Submitter
001	Clubs Queensland
002	Queensland Hotels Association
003	Golden West Hotel, Isisford
004	Adavale General Store
005	Quilpie Shire Council
006	Yaraka Hotel
007	Augathella Motel
008	Muckadilla Hotel
009	Prairie Hotel
010	Imperial Hotel, Quilpie
011	Australian Hotel Motel, Boulia
012	The Longreach Tavern
013	Birdsville Hotel
014	Winton Hotel
015	Dajarra Hotel
016	Royal Mail Hotel, Hungerford
017	Federal Palace Hotel, Richmond
018	Mount Isa City Council
019	Queensland Coalition for Action on Alcohol

Appendix B – Witnesses at public roundtable meetings and public hearing

6 June 2017 – Normanton

Central Hotel

- Ms Kim Dalitz

Albion Hotel

- Mr Brett (“Frog”) Daniels

Croydon Club Hotel

- Ms Eva Garde

Hawkins Transport

- Mr Bradley Hawkins

Purple Pub

- Ms Liz Rose

8 June 2017 – Thursday Island

Grand and Royal Hotels

- Mr Chris Lemke
- Ms Leigh Lemke
- Ms Danica McAllister

Torres Strait Hotel

- Mr Jared Lemke
- Ms Kimberley Lemke

Queensland Police Service

- Senior Constable Justine McIntosh

Federal Hotel and Jardine Motel

- Mr Steve Mills

10 July 2017 – Cunnamulla

Warrego Hotel

- Ms Victoria Ashford

Queensland Police Service

- Constable Anthony Bradbury

Paroo Shire Council/Cunnamulla Bowls Club

- Councillor Rick Brain

Hotel Cunnamulla

- Mr Doug Faircloth
- Ms Fiona Faircloth

Oxford Hotel

- Ms Donna Koch

Eulo Queen Hotel

- Ms Janelle Jackson

Billabong Hotel Motel

- Mr Noel Sullivan

Paroo Shire Council

- Councillor Joann Woodcroft

11 July 2017 – Charleville

Corones Hotel

- Mr Bob Branson
- Mrs Marion Branson

Ellangowan Hotel

- Mr Brett Cooper

Club Hotel, Roma (via teleconference)

- Mr Chris Van'Thof

11 July 2017 - Blackall

Barcoo Independent

- Ms Olivia Ralph

Blackall-Tambo Regional Council

- Mr Alastair Rutherford

12 July 2017 – Longreach

Commercial Hotel

- Mr Roly Gooding

Outback Tourism

- Mr Peter Homan, General Manager

13 July 2017 - Hughenden

Flinders Shire Council

- Councillor Kelly Carter

Flinders Shire Council/Great Western Hotel and Royal Hotel

- Councillor Kate Downie

Mr Robbie Katter MP, Member for Mount Isa

Hughenden Golf Club

- Mr Shane McCarthy

23 August 2017 – Brisbane

Clubs Queensland

- Mr Dan Nipperess, Workplace Relations & Compliance Manager

Queensland Coalition for Action on Alcohol

- Professor Jake Najman

Queensland Hotels Association

- Mr Damian Steele, Industry Engagement Manager

Adavale General Store

- Mr Koss Siwers

Prairie Hotel

- Mrs Andrea Duddy

Appendix C – History of commercial hotel fees: 1912 to present

Historically, hotel licence fees in Queensland have been calculated using various methods based on criteria such as location, assessed value and the gross amount payable for liquor purchased.

2008 to present

The current liquor licencing requirements were introduced by the *Liquor and Other Acts Amendment Act 2008*, which commenced on 1 January 2009.⁹⁴ The Act, which focused on decreasing alcohol fuelled violence, introduced a new system regarding liquor licences, changing both the type of liquor licences available, and the way that licence fees were calculated.⁹⁵

1992 to 2008

Prior to the commencement of the *Liquor and Other Acts Amendment Act 2008*, the *Liquor Act 1992* provided for a licence fee based on the amount of liquor purchased or obtained for the business in that year.

1912 to 1992

Prior to the commencement of the *Liquor Act 1992*, the *Liquor Act 1912* provided for licencing fees.⁹⁶

From November 1935 to May 1992, the licencing fee was calculated on a similar basis to the fees under the *Liquor Act 1992*. The fee was assessed by the Commissioner, based upon the information provided in an annual return. The annual licencing fee was equal to a percentage of the gross amount (including any duties) paid or payable for all liquor which was purchased for the premises during the 12 month period ending on 30 June in the previous year.

Between December 1912 and November 1935, a different annual fee structure was in place. Section 58 of the *Liquor Act 1912* provided for annual fees payable based upon an assessment. The fee was dependent upon the annual assessed value.

1885 to 1912

The *Licensing Act of 1885* provided for an annual licence fee under s 53. The licence fee depended upon the location of the premises and whether there was a second bar or counter.

⁹⁴ *Liquor and Other Acts Amendment Act 2008* (Qld), s 2.

⁹⁵ Liquor and Other Legislation Amendment Regulation (No. 1) 2009.

⁹⁶ Section 18.

