

Liquor (Amendment) Bill 2009

Second Reading Speech
H.E. Hon Marcus Stephen MP
15 September 2009

Mr Speaker,

I have introduced to this House today a short Bill for an Act to amend the Liquor Act. The Bill contains only six clauses and is quite straightforward.

The main impetus for the Bill was to provide for the increase in liquor licence fees. In the revenue budget for the fiscal year 2009-2010, the Cabinet has approved an increase in the liquor license fees, and such increase can only be lawfully given effect by amending the *Liquor Act 1967-1997*.

In addition to providing for the increase in fees, the Bill also aims to achieve a few other things. One is to simplify the administration of the Act by creating a system whereby all liquor licences expire and are renewed at the same time, so that instead of a liquor licence being valid for 12 months from the date on which it was granted or renewed, a liquor licence would be valid until the last day of the financial year in which it was granted or renewed. All liquor licences would expire on 30 June each year and have to be renewed on 1 July each year. This proposed amendment, contained in clause 3 of the Bill, is intended to make the administration of the Act simpler and more efficient.

Another objective of the Bill is to ensure that the new system of charging of liquor licence fees on a financial year basis does not produce unfair results. So for example, if a person acquires a liquor licence towards the end of the financial year, they should not be expected to pay the full annual fee in respect of the remaining 2 or three months of the year. For this reason, proposed subsection (3) of new section 59 of the Liquor Act makes provision for the payment of a pro rata proportion of the annual fee, calculated on a monthly basis. The Bill also proposes the refund of fees paid for licence applications that are not approved.

The Bill also seeks to remedy an oversight that was made in 2004, when the liquor licence fees were increased without the necessary amendment being made to the Fourth Schedule of the Act. The 2004 increase doubled the fees that are prescribed under Schedule 4, and the increase was published in the Gazette, however the legal requirements for making such an increase were not satisfied because no amendment was made to the Act. In order to deal with this oversight and to effectively validate the 2004 increase, clause 5 of the Bill

proposes to insert a new section 61 in the Act, to provide that no legal or administrative challenge may be brought and no legal or administrative remedy shall be granted in respect of any licence fee that was charged or paid prior to the date on which this section comes into effect. This is essentially a house-keeping matter, to tidy up an error that was inadvertently made by a previous government back in 2004.

This Bill would also vest Cabinet with the authority in future to prescribe fees for liquor licences by Regulation, so that it is not necessary to amend the Act every time there is an increase in fees, and would amend the Fourth Schedule to prescribe the immediate increase in fees that is proposed by Cabinet, in order to avoid the necessity of having to immediately make Regulations in addition to amending the Act. The Liquor Act as amended would provide that the fees payable are those set out in the (new) Fourth Schedule, or as prescribed by Regulation.

Mr Speaker for the benefit and ease of reference of members, I have included at the end of the written version of my second reading speech a brief table which sets out the fees contained in existing Schedule 4, the fees that were imposed in 2004, and the new fees contained in proposed new Schedule 4.

The proposed repeal and replacement of section 60 of the Act would have the effect of increasing the maximum penalty that Cabinet can prescribe by regulation for offences against regulations, from one hundred dollars to \$1,000 dollars, and expressly providing that Cabinet can make regulations prescribing fees payable for a licence under the Act.

Mr Speaker, I commend this Bill to the House.

Thank-you Mr Speaker.

item	Existing Schedule 4 fee (1997)	Fees notified in Gazette in 2004	Fees in proposed NEW Schedule 4 (2009)
Liquor retailer's licence	\$1,000.00	\$2,000.00	\$2,500.00
Tavern licence	\$1,000.00	\$2,000.00	\$2,500.00
Restaurant licence	\$200.00	\$400.00	\$1,000.00
Club licence	\$200.00	\$400.00	\$1,000.00
Extended hours permit	\$20.00	\$40.00	\$50.00
Transfer/removal of licence or alteration of limits of premises	\$5.00	\$10.00	\$20.00
Function permit	\$10.00	\$20.00	\$20.00
Any other application	\$20.00	\$40.00	\$50.00