

ARA SUBMISSION

EXPOSURE DRAFT: LIQUOR AND OTHER LEGISLATION AMENDMENT BILL 2024

SEPTEMBER 2024

The Australian Retailers Association (ARA) welcomes the opportunity to provide comments on the Queensland Government's exposure draft Liquor and Other Legislation Amendment Bill 2024 (draft Bill).

The ARA is the oldest, largest and most diverse national retail body, representing a \$420 billion sector that employs 1.4 million Australians – making retail the largest private sector employer in the country. As Australia's peak retail body, representing more than 120,000 retail shop fronts and online stores, the ARA informs, advocates, educates, protects and unifies our independent, national and international retail community.

We represent the full spectrum of Australian retail, from our largest national and international retailers to our small and medium sized members, who make up 95% of our membership. Our members operate in all states and across all categories - from food to fashion, hairdressing to hardware, and everything in between. In relation to this consultation, we represent a number of national liquor retail businesses with operations in Queensland.

POSITION

We understand that the draft Bill seeks to address a lack of specific regulations for online alcohol sales and delivery in Queensland, by strengthening the framework governing these activities for retail businesses. The ARA supports this initiative and is committed to working collaboratively with the Queensland Government to achieve well-informed, consistent outcomes that safeguard both retail workers and customers.

However, it is important that any regulation of same-day alcohol sales and delivery strikes the balance between ensuring public safety without placing an undue regulatory burden on business.

The rapid growth of online alcohol orders, sales and same-day delivery - driven by technological advancements and rising consumer demand - necessitates clear and effective guidelines. Properly designed regulations can address risks and ensure responsible service without placing excessive burdens on businesses.

It is essential that these regulations are both clear and pragmatic, to minimise operational disruptions and maintain efficiency. Consistency across jurisdictions is also critical, so any legislation should seek to align Queensland with other jurisdictions, simplifying compliance across state borders.

CONSIDERATIONS

Delivery hours	The ARA is agnostic to the delivery hour options in the exposure draft, as it does not limit existing business operation hours, from the current 10.00pm closure time as per Queensland trading hour legislation.
ID verification	The ARA highlights the need for clearer guidelines on ID verification and the responsibilities of businesses and delivery partners in Queensland. The current legislation lacks specificity regarding these requirements.

To address this, the ARA recommends that the Queensland Government consider adopting a framework similar to that of New South Wales, which has proven effective.

In New South Wales, online alcohol delivery mandates rigorous ID verification to confirm that the buyer is at least 18 years of age. Customers provide their date of birth during the online purchase, and sometimes credit card details for initial verification. At delivery, drivers must verify the recipient's age by checking a valid photo ID, such as a driver's license, passport, or proof of age card.

Compliance with these requirements is enforced under the legislation, with significant penalties for non-compliance, including fines and potential loss of licensing.

Fulfillment centre licensing regime

The ARA emphasises the need to future-proof the supply chain for liquor businesses in Queensland by considering a new licensing scheme for warehouses and fulfillment centres.

Currently, the delivery of online alcohol sales cannot come directly to customers from warehouses and fulfillment centers. This is because all sales of alcohol must be delivered through a licensed retail entity that fulfills all legal requirements. Unlike other Australian jurisdictions, where such centres may hold retail licenses, in Queensland these facilities are typically restricted to storage and distribution roles.

This setup poses challenges for online alcohol sales and delivery. Specifically:

1. The growing trend of digital orders often results in stock being purchased online, leaving physical stores with insufficient inventory for in-store sales, especially as retail stores in Queensland are limited to a maximum size of 150m².
2. This growing trend then sees orders frequently fulfilled from interstate fulfillment centres. Due to the vast geographic size of Queensland, this approach is not economical, timely or convenient. This leads to higher costs for businesses and consumers and delays in delivery. Further, this means that businesses often opt to set up in other jurisdictions, leading to the creation of fewer local job opportunities and less stimulation of the local economy.

The ARA therefore encourages the Queensland Government to consider a licensing scheme for warehouses and fulfillment centers as part of this regulatory reform, to help adapt to changing market dynamics and support local economic growth.

In addition to these considerations, we believe that amending the current Act provides an opportunity to ensure consistent definitions to key concepts used inconsistently through the legislation. There is also an opportunity to clarify the communication and training obligations of licensees engaged in online ordering and delivery.

Thank you again for the opportunity to provide comments on the Queensland Government's exposure draft Liquor and Other Legislation Amendment Bill 2024 (draft Bill). Any queries in relation to this submission can be directed to our policy team at policy@retail.org.au.