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Mr Des Crowe  
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Dear Mr Crowe

Thank you for your correspondence received 18 April 2016 seeking confirmation on the Country Liberal's position on a number of policy agenda items.

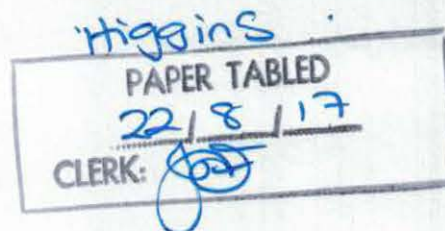
Please find attached a document which sets out our position on the AHA's 2016 policy agenda items and an update on 2012 policy agenda items.

Please feel free to contact my office should you require clarification on any of the items listed.

Yours sincerely

ADAM GILES

25 MAY 2016



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2016 Policy Agenda Items – NT Government response

Gaming

**1. Maintain status quo on gaming regime**

The AHA (NT) seeks a commitment that the current gaming regime will be maintained.

The changes to the gaming industry, announced by your Government in December 2014 has seen significant private investment into many hospitality establishments throughout the NT. The revenue derived from gaming machines provides owners and operators with commercial certainty moving forward.

The hospitality industry contributes significantly to the Territory's economy, as well as at a grassroots level with hospitality businesses supporting a significant number of local community groups and sporting teams.

**NTG Response:** *The NT Government agrees to maintain the current gaming regime for the next term of government.*

**2. Maintain status quo on gaming taxation**

The AHA (NT) seeks a commitment that the current gaming taxation rate will be maintained.

**NTG Response:** *The Northern Territory Government agrees to maintain the current gaming taxation rate for the next term of government.*

**3. Responsible Service of Gambling Education and Training Program**

On the 1 March 2016, the NT Government implemented the Northern Territory Code of Practice for Responsible Gambling 2016 ('the RSG Code'). Where the previous Code was voluntary, the RSG Code now mandates a Code which is subject to the *Gaming Machine Act* and licensees are now subject to new and significant penalties for contravention or failure to comply with the RSG Code, including a custodial sentence of 2 years.

The AHA (NT) is seeking your financial support of \$180,000 per annum for a 3-year period, in order to undertake an industry education and training program for gaming staff, community liaison officers, managers and licensees in responsible gambling and comprehension of the Code.

An application was made to the Community Benefit Fund on 30 March 2016 requesting funding under the Amelioration Funding.

**NTG Response:** *The NT Government supports the proposed training program and notes that the Department of Business will follow up with AHA (NT) about the most appropriate funding streams.*



## Liquor Licensing

### **4. Retain Sunday Trading Restrictions**

The AHA (NT) seeks a commitment that the current legislation preventing standalone bottleshops and liquor stores from trading on Sundays will be maintained.

**NTG Response:** *The NT Government has no plans to change the current legislation preventing standalone bottleshops and liquor stores from trading on Sundays.*

### **5. Maintain the existing trading hours for on-premise licensed venues**

The AHA (NT) seeks a commitment that the current on-premises trading hours be maintained.

The *Liquor Act* provides a rigorous assessment regime for determining licensing trading beyond 2am. Reliance should be placed on existing laws to determine trading hours based on an assessment of merit rather than any arbitrary reduction in trading hours.

**NTG Response:** *The NT Government has no plans to make changes to the existing on-premise licensed venue trading hours.*

### **6. Provide certainty to licensing regime and licensees, including no risk-based licensing fees or categories be introduced.**

The AHA (NT) seeks a commitment that an annual liquor licensing renewal regime, annual liquor licensing fees or risk-based licensing fees or categories will not be introduced.

The hospitality industry contributes significantly to the Territory's economy. It is also an industry that's success is often in the uncertain hands of tourism and world conditions.

Annual liquor fees or risk-based liquor licensing fees will jeopardize capital investment in our industry, as banks will not lend in circumstances of such uncertainty. This will in turn stagnate the hospitality industry's development and growth.

The AHA (NT) supports risk-based compliance activity undertaken by Licensing NT.

**NTG Response:** *The NT Government has no plans to introduce an annual liquor licensing renewal regime, annual liquor licensing fees or risk-based licensing fees or categories.*

### **7. New Licensing Regime-Third Party Submissions**

The AHA (NT) seeks your support to allow third parties (which would include NT Police, AHA NT, other industry groups or government agencies) to make submissions to the Director-General of Licensing on matters relevant to new licence applications. The Director-General would have the right to exercise its discretion as to whether this information was relevant, what weight was applied and if further investigations were required.



This could be achieved by providing a Guideline to the decision maker under the *Liquor Act* that for the purposes of exercising its considerations under Section 6(3) *Liquor Act* that the decision maker must consider the written submissions made by third parties such as the AHA (NT), NT Police, other industry groups or government agencies. It is not proposed that the third party have any appeal rights against the decision maker relating to information provided under this Guideline.

**NTG Response:** *The Northern Territory Government agrees in principle pending advice from the Director-General Licensing, AHA (NT) to provide a submission to the Minister for Business to allow that advice to be developed.*

#### **8. Licence Applications - Density of Licensed Premises**

The recent experience with numerous takeaway applications has demonstrated that consideration of the existing density of licensed premises is not a factor getting strong consideration. Accordingly, the AHA (NT) seeks your support for having a higher threshold by requiring greater weighting be given to the density of existing licensed premises when considering new liquor licence applications, relocation of licences or material change to existing licensed premises.

This could be achieved by providing a Guideline to the decision maker under the *Liquor Act*. It is not intended to be a Guideline applicable for ancillary liquor licences such as restaurant licences (where liquor is ancillary to a meal) or a bar ancillary to the provision of accommodation.

**NTG Response:** *The Northern Territory Government agrees in principle pending advice from the Director-General Licensing, AHA (NT) to provide a submission to the Minister for Business to allow that advice to be developed.*

#### **9. In-principle licensing applications require prior planning approval and term to complete new build**

The AHA (NT) seeks a commitment that your Government will introduce Guidelines which will require liquor licence applicants to have prior planning approval from the Development Consent Authority (or relevant Planning Body). In exceptional circumstances, such as the development of large high rises, there would be discretion to waive this requirement.

The Guideline should also stipulate that any licence is granted subject to the licensee commencing to operate and trade under the licence within a specific time period. Licence applications requiring new buildings would usually be given 12 months unless it was part of major development requiring a longer construction time. Licensees could apply for an extension to this time period if reasonable circumstances could be established (e.g. third party industrial disputes or inclement weather causing building delays).

**NTG Response:** *The Northern Territory Government agrees in principle, noting it is probably a policy/guideline issue. Minister for Business will discuss with the Minister for Planning and advise.*



#### 10. 'Public Area' of bottleshops

The AHA (NT) seeks a commitment that a maximum bottleshop size of 400sq metres of 'public area' be introduced, through legislative amendments.

'Public Area' is defined as area which a customer can go to purchase alcohol, but does not include drive-thru areas or storage areas.

This would apply to all future applications (new licence applications, licence relocations or material alterations of existing licensed premises)

**NTG Response:** *The NT Government agrees in principle to preparing legislation limiting the maximum bottleshop size of 400sq metres of 'public area'. The Minister for Business will consider this issue and advise.*

#### General

#### 11. Short-Term Letting (Unregulated Accommodation)

The AHA (NT) seeks a commitment that the NT Government will under a Review into the unregulated accommodation market.

The Review should investigate what regulations exist for accommodation hotels that would be appropriate for the unregulated accommodation market to comply with, including; registration and classification of businesses with relevant legislation, e.g. *Public Health (Shops, Boarding-houses, Hostels and Hotels) Act* and Regulations, *Accommodation Providers Act*, fire safety standards, disability access and facilities, insurance, permits and licences, taxation, financial reporting, employment and training, privacy policies, ABS reporting, STR reporting, participation in Tourism NT, NTCB, TTE and TCA activities and investment.

**NTG Response:** *The NT Government will consider undertaking a review into the unregulated accommodation market, including holiday letting apartments, pending receipt of a submission from the AHA (NT) with recommendations on what the regulatory environment might reflect.*

#### 12. Sewerage

The AHA (NT) seeks a commitment that the NT Government will undertake a Review of commercial sewerage charges as they apply to the accommodation sector.

The AHA(NT) is seeking a more equitable user pays system for sewerage charges for accommodation hotels in the Territory.

The current system does not take into account actual usage, but charges on a per facility basis. During the off-tourism season, occupancy rates for hotels can drop below 50%, but properties are still charged the same amount as they are when the hotel is operating at 80-90%, which causes financial hardship for many operators.

**NTG Response:** *The NT Government will consider a review of commercial sewerage charges as they apply to the accommodation sector pending receipt of a submission from the AHA (NT).*

### **13. Takeaway ID Systems Consultation**

The AHA (NT) is opposed to the current police strategy of Temporary Beat Location or Point of Sale Intervention operations and ID systems.

The AHA(NT) is not opposed to the use of Temporary Beat Locations occasionally being used in conjunction with significant influx of community visitors for major town events.

The AHA(NT) seeks a commitment that in the event that any bottleshop patron ID system is proposed to be introduced that the AHA (NT) be fully consulted.

In particular, any new ID system design would need to cater for the hotel drive through bottleshop customer (not imposing a need for these customers to get out of their vehicles). Any ID system would also need to be at the NT Government's cost.

**NTG Response:** *The Northern Territory Government is currently considering a range of responses including facial recognition, second tier policing etc. and will consult the AHA (NT) if a bottleshop patron ID system is proposed in the future. The NT Government will continue to look at alcohol management planning, including how patrons are 'managed' at TBLs (drive through takeaways versus shopfront takeaways).*

### **14. Smoking**

The AHA (NT) seeks a commitment from your Government to maintain the status quo on smoking legislation until 1 July 2022.

**NTG Response:** *The Northern Territory Government will maintain the status quo on smoking legislation for the next term of government.*

### **15. Continued Funding**

The AHA (NT) seeks a commitment from the NT Government that our current funding agreements; 'Industry Advice and Services on Alcohol Management and Harm Minimisation Initiatives' and 'Industry Development Support Program' be renewed for a further 3 years.

**NTG Response:**

- *The Department of Business has advised that to date, the department has not held any discussions or negotiations with AHA (NT) in relation to the continuation or renewal of a funding agreement due to expire on 31 December 2016 for the Industry Advice and Services on Alcohol Management and Harm Minimisation Initiatives. The NT Government has recently entered into a new NPA with the Commonwealth to deliver community developed/driven alcohol action initiatives. A proposal for funding by AHA through this source would need to meet the parameters of an alcohol action initiative to deliver*



*community driven, practical, locally supported initiatives on the ground and would need to be agreed by the Commonwealth in the annual program of works.*

- *Applications for the Industry Development Support Program close in March each year. The Dept of Business is in negotiations with AHA (NT) to renew its funding agreement for the next three years (2015-16, 2016-17, and 2017-18).*

### 2012 Policy Agenda Items

AHA NT 2012 Policy Agenda	2016 CLP Comments	2016 AHA NT Comments
16. Maintain existing trading hours for on-premise venues	<b>Status: Complete</b> <ul style="list-style-type: none"> <li>• Standard conditions apply to all liquor licences.</li> <li>• There is no intention to restrict trading hours.</li> </ul>	Addressed in Item 5.
17. Provide certainty to licensing regime and licensee	<b>Status: In progress</b> <ul style="list-style-type: none"> <li>• Gambling and licensing reforms to reduce red tape and simplify processes for licensees came into effect on 1 January 2015.</li> <li>• The NT Licensing Commission was abolished.</li> <li>• A liquor licence continues to be held unless its conditions or restrictions are violated by the licensee.</li> <li>• The Dept. of Business is working with the AHANT on establishing specific liquor licences that will better reflect the type of operation being undertaken.</li> <li>• There is currently no intention to introduce licence fees.</li> </ul>	Addressed in Item 6.
18. Roll back product and trading hour restrictions in region areas with liquor supply plans	<b>Status: In progress</b> <ul style="list-style-type: none"> <li>• BDR abolished</li> <li>• Under the National Partnership Agreement with the Federal Government, the NT Government is working with communities to enable them to have a greater role in managing alcohol issues; and to assist communities in developing local alcohol action initiatives (Alcohol Management Plans),</li> <li>• Regional Alcohol Action Initiatives are coordinated by local Alcohol Reference Groups and the NT Government</li> <li>• The Liquor Regulations restrict licensees who hold store licences (including liquor merchant licences) from trading on Sundays</li> </ul>	Addressed in Item 13.
19. Review and set liquor licence categories to provide consistency and fairness	<b>Status: In progress</b> Work is underway to develop specific categories of licenses to provide better consistency and fairness for industry.	Addressed in Item 6.



<p><b>20. Significantly increase fines for patrons who refuse to leave licensed premise when considered intoxicated, violent, quarrelsome or disorderly</b></p>	<p><b>Status: Complete</b>  The NT Government has increased the on-the-spot fine from \$144 to \$612 (4 penalty units).</p> <p>In addition, if the patron is prosecuted through the Courts for failing to leave a licensed premise, a maximum fine of up to 20 penalty units (\$3,060) can apply.</p>	<p>No further action required.</p>
<p><b>21. Review pricing and promotional behaviour in regards to the sale of takeaway packaged liquor to ensure compliance with responsible sale of alcohol process</b></p>	<p><b>Status: In-Progress/On-going</b></p> <ul style="list-style-type: none"> <li>• The NT Government continues to encourage the industry to self-regulate in terms of pricing.</li> <li>• The Code of Practice for responsible promotion of liquor is being reviewed, with a particular focus on considering whether a specific code needs to apply to take away premises.</li> </ul>	<p>The AHA (NT) seeks the support of the NT Government to introduce a Code of Practice for off-premise advertising and promotions.</p>
<p><b>22. Prohibit local councils from applying special levies or rates to licenses venues and late night venues</b></p>	<p><b>Status: Complete</b>  <b>Responsibility of the City of Darwin –</b></p> <ul style="list-style-type: none"> <li>• The methods by which local councils determine appropriate rate structures and charges are matters for local councils in the context of usage patterns and cost recovery and not directly influenced by the NT Government.</li> <li>• The City of Darwin has confirmed that the type of business operating from a commercial property does not impact on the rates or fees levied and related to the zone which the property is located as well as its unimproved capital value.</li> </ul>	<p>The AHA (NT) seeks the support of the NT Government, to use their powers under the <i>Local Government Act</i> to reflect this policy position so that it applies to all local Governments in the NT.</p>
<p><b>23. Establishing a liquor licence rationalisation and buy-back program</b></p>	<p><b>Status: Not being progressed</b></p> <ul style="list-style-type: none"> <li>• The NT Government will continue to focus on behaviour management and rehabilitation rather than establishing liquor licence rationalisation and buy-back programs.</li> <li>• The Liquor buy-back Scheme was raised following the former NT Government's purchasing of two liquor licences in Alice Springs due to the inappropriateness of the business operations (one was attached to a petrol station).</li> <li>• The circumstances behind the purchases were exceptional and, following the tightening of the Takeaway Guidelines and legislation</li> </ul>	<p>Agree to disagree with Government on this point.</p>



	surrounding the granting of licences, licences such as these will not be approved in the future.	
<b>24. Excluding or removing drunk persons</b>	<p><b>Status: In progress/ongoing</b></p> <ul style="list-style-type: none"> <li>• The Dept of Business has agreed to work with industry to deal with this issue in the most appropriate manner.</li> <li>• The Department understands that there are times, particularly with regard to females, a more sensible approach is warranted to section 121, that includes allowing someone who is 'drunk' to remain on premise until a taxi is available or family/friends can collect them.</li> <li>• Licensing NT compliance officers have made it clear to licensees that they will not be breached where they can demonstrate they are dealing with a drunk person appropriately and safely.</li> </ul>	The AHA (NT) is seeking the support of the NT Government to amend Section 121 of the <i>Liquor Act</i> to allow for a reasonable defence to the offence of keeping a 'drunk' person on licensed premises.
<b>25. Retain current restrictions on Sunday trading for liquor stores</b>	<p><b>Status: Complete</b></p> <p>It has been successive government policy that stores and liquor merchants should not be able to trade under their takeaway licence on a Sunday. The current NT Government has confirmed this position and amended legislation to give statutory affect to this.</p>	Addressed in Item 4.
<b>26. Introduction of mandatory drug testing of person involved in violent incidences in and around licensed venues</b>	<p><b>Status: Responsibility of NT Police – being monitored</b></p> <p>This is a matter for NT Police and is outside the responsibility of the Department of Business</p> <p>Police acknowledge that there is a concern that more people attending licensed venues may be affected by drugs and that this is exacerbated by alcohol consumption; however, there is no current intention to make testing a mandatory process where a person is arrested or taken into police custody on or at licensed venues.</p>	<p>The AHA NT seeks Government's support for the mandatory drug and alcohol testing of individuals arrested for offences involving violence, in and around licensed venues.</p> <p>This policy was one of the recommendations of the 'Ice' Select Committee Inquiry into 'ice' use in the NT.</p>
<b>27. Wet canteens/licensed Social Community Clubs</b>	<p><b>Status: In-Progress</b></p> <ul style="list-style-type: none"> <li>• The ability for Indigenous people to access alcohol in communities, through permit systems and other initiatives continues to be a focus of Alcohol Management Plans/Alcohol Action Initiatives to build responsible consumption practices.</li> </ul>	The AHA (NT) seeks the support of the NT Government for wet canteens and licensed social clubs in communities, rather than prohibition, where it is supported.



	<ul style="list-style-type: none"> <li>Licensed social clubs operate in some communities, with Milikapiti Sports and Social Club on the Tiwi Island recently receiving approval to sell take away liquor to permit holders.</li> <li>No applications were received to open up new licensed Social Community Clubs in the last financial year.</li> </ul>	
28. Cross-border trade	<p><b>Status: Not being progressed</b> There is no proposal to restrict cross-border trade; constitutionally it may not be possible.</p> <p>It is worth noting that there is nothing preventing NT licensed liquor licence holders from advertising their products for sale to interstate residents, providing they comply with any jurisdictional requirements.</p>	<p>The AHA (NT) seeks a commitment from the NT Government to improve the collection and integrity of the NT's alcohol data by requiring all NT Licensees to provide an annual declaration of all alcohol purchases from interstate wholesalers.</p> <p>This would include purchases licensees make directly with other retail licensees ordered interstate, overseas or online.</p>
29. Licensing Commission	<p><b>Status: Complete</b> All powers and functions that were vested in the NT Licensing Commission, the Director of Licensing or the Deputy Director positions under the individual licensing Acts have all been transferred to the new role of Director-General of Licensing.</p>	Addressed in Item 7 & 8.
30. Reject specific non-evidence based draft recommendations of the Productivity Commission in respect to gaming	<p><b>Status: Partially met</b> Instead of adopting the Productivity Commission's recommendations, the Department of Business, in drafting the codes of practice, looked at national and international practices that were in place to reduce the harms associated with gambling and adopted them to suit the NT industry and wider community.</p>	Addressed in Item 1.
31. Reject the recommendations if the Wilkie-Gillard Agreement	<p><b>Status: Complete</b> The NT Government did not accept recommendations from the Wilkie-Gillard Agreement</p>	Addressed in Item 1.
32. Gaming Machine Trading Scheme	<p><b>Status: Superseded</b> The lifting of the NT-wide Gaming Machine Cap in January 2015 removed the need for a trading Scheme as venues can apply for additional/new</p>	Addressed in Item 1.



	machines.	
<b>33. Permit Hotels and Clubs' gaming machines to have note acceptors</b>	<b>Status: Complete</b> Electronic gaming machines may now be fitted with bank note acceptors.	Addressed in Item 1.
<b>34. Maintain the status quo on smoking reforms for a minimum of 6 years (from 2012)</b>	<b>Status: Dept. of Business/Dept. of Health responsibility – complete</b> Subject to number 20 below, there have been no further smoking reforms since 2012.  The Department of Business' responsibility regarding smoking in the NT is limited to licensing sellers and ensuring licensed venues comply with smoking laws. With regard to the Department of Health, aside from proposing amendments be introduced to address e-cigarettes, there is no intention to make any further changes to the <i>Tobacco Control Act</i> .	Addressed in Item 14.
<b>35. Allow meals to be consumed in smoking areas where a smoking patron takes their own meal into that area</b>	<b>Status: Complete</b> Amendments to legislation in June 2014 permit patrons to take their meals into outdoor designated smoking areas on liquor licenses premises.	Addressed in Item 14.
<b>36. Container Deposit Scheme</b>	<b>Responsibility of the NT Environment Protection Authority (EPA) – in progress</b> <ul style="list-style-type: none"> <li>• The NT EPA has commenced implementation of amendments to the relevant Act that commenced on 30 June 2014</li> <li>• The amendments include: <ul style="list-style-type: none"> <li>○ CDS coordinators will be required to accept from collection depots and approved containers sorted by material type (e.g. aluminium, plastic etc.) and not by brand;</li> <li>○ Improved efficiencies at collection depots;</li> <li>○ Improved access to the CDS through the removal of some barriers to the urban and remote roll out of the CDS; and</li> <li>○ A more stable framework for negotiating handling fees and for the development of effective waste management arrangements.</li> </ul> </li> </ul>	The AHA (NT) does not support a Container Deposit Scheme.  Agree to disagree with Government on this point.
<b>37. Improve the Territory's Taxi Service</b>	<b>Status: Responsibility of the Department of Transport – ongoing</b>  A Review of commercial vehicles was completed in 2015 and has not yet been released.  <b>Update: The Northern Territory Government released the Commercial Passenger Vehicle</b>	The AHA (NT) seeks the support of the NT Government to substantially increase the number of commercial passenger vehicles servicing peak periods.



	<p><i>Review in February 2016.</i></p> <p><i>Applications opened on 21 April 2016 for the Darwin Taxi Ballot, with the 13 taxi licences, previously placed on hold, available for allocation. The ballot process will close on 20 May 2016.</i></p> <p><i>There will be one ballot to allocate the 13 new taxi licences which are to be released in two stages:</i></p> <p><i>Stage 1: Three standard licences and four Multiple Purpose Taxi (MPT) licences will be authorised to operate immediately after the allocation of taxi licences to the successful applicants. MPTs are designed to carry at least one passenger in a wheelchair.</i></p> <p><i>Stage 2: The remaining six standard taxi licences will be authorised to operate two months after completion of the ballot.</i></p>	
38. Maintain a Major Event Strategy	<p><b>Status:</b> Dept. of the Chief Minister responsibility – ongoing</p> <p>FestivalsNT is a \$1.7 million program of events (arts, sporting, culture, business elements, with ties to Asia)</p>	The AHA (NT) seeks on-going Government support for 'bricks and mortar' local businesses during major events and festivals (wherever possible).
39. Regulate Short Term Letting	<p><b>Status:</b> Dept. of the Attorney-General and Justice responsibility – not being progressed</p> <p>There are currently no plans to regulate holiday letting of residential houses and apartments in the NT.</p>	Addressed in Item 11.
40. Recognition that the hospitality industry is a key part of the tourism landscape and not just a 'bi-product'	<p><b>Status:</b> Related to Tourism NT – ongoing</p> <ul style="list-style-type: none"> <li>The NT Government recognises the contribution the hospitality industry makes to the tourism industry of the NT. This is acknowledged through the ongoing support government provides to industry events such as the AHA Gold Plate Awards and the AHA Awards for Excellence.</li> <li>The NT Government continues to work closely with the hospitality industry to provide optimum operating conditions and has made a number of policy decisions as a result of requests from the industry (refer items</li> </ul>	The AHA (NT) seeks the Government's continued support for our industry, including funding of industry projects and events and open and regular communication with the AHA(NT), particularly in advance of announcements on matters affecting the Association and our members.

	<p>1,2,10,17,18,20 and 22).</p> <ul style="list-style-type: none"> <li>• This ongoing support clearly demonstrates the importance in which the Government sees the hospitality industry.</li> <li>• Additionally, Mick Burns, President of the Australian Hotels Association NT is a Commissioner on Tourism NT's Board of Commissioners, which provides the industry with formal channel of communication direct to Tourism NT.</li> </ul>	
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