

30 July 2026

**Committee Secretary**  
**Legislative Scrutiny Committee**  
**GPO Box 3721**  
**DARWIN NT 0801**  
via email: [LSC@nt.gov.au](mailto:LSC@nt.gov.au)

Dear Committee Secretary,

**SUBMISSION: Inquiry into the Liquor Amendment Bill 2026 (Serial No. 71)**

Hospitality NT welcomes the opportunity to provide a submission to the Legislative Scrutiny Committee on the *Liquor Amendment Bill 2026* (**'the Bill'**).

The hospitality industry is about more than serving drinks and meals; hospitality is a cornerstone of the Territory's unique lifestyle, a driver of its economy, and a vital provider of employment and career pathways for Territorians, including in remote and regional areas. Local pubs, clubs, cafés and restaurants are essential community infrastructure where residents and visitors gather, celebrate, and experience the unique social fabric of the Top End and Central Australia. Hospitality plays a pivotal role in the NT's tourism industry and visitor economy.

Hospitality NT and our Members are committed to working constructively with Government and regulators to ensure liquor laws are proportionate, effective, and meet community expectations.

The Liquor Amendment Bill 2026 is a package of balanced reforms that will reduce the administrative burden of liquor regulation for the Territorian taxpayer and for the hospitality industry alike. Hospitality NT welcomes this opportunity to make further recommendations that strengthen natural justice for hospitality businesses, and provide comment on other proposed amendments that relate to the operation of the industry.

**Section 258 - Police power to suspend licence or authority**

Hospitality NT has consistently advocated for the introduction of natural justice and due process into the suspension powers under section 258. As acknowledged by the Attorney-General in her introductory speech to Parliament, bringing natural justice provisions to section 258 was a commitment made from Opposition and taken to the election in 2024.

The Bill does introduce natural justice to s258(1), but not to the rest of the section.

Section 258(3) allows the Police Commissioner to suspend a licence or authority if the licensee or their employee "is being investigated for an offence against this Act" and a police officer investigating the offence "believes on reasonable grounds that the offence is likely to continue."

This provision effectively allows a suspension to be used as a punitive tool during the investigative phase, before any finding of wrongdoing. It subverts the presumption of innocence and allows police to effectively punish a business while their investigation is ongoing.

We submit that a licence should only be suspended following a finding of a breach, not merely because an investigation has been commenced.

A representative of Hospitality NT met with the NT Police Commissioner on 28 July 2026 to outline these concerns. During this meeting, the Police Commissioner confirmed he understood industry's concerns and agreed with section 258 (3) being removed.

He agreed with our argument of procedural fairness being provided to licensees, and that is through the Liquor Commission disciplinary pathway, not with the punitive powers of section 258.

***Hospitality NT respectfully submits that the Government should give effect to the Police Commissioner's support for reform by removing section 258(3) entirely.***

Section 258(1) contains the phrase "in the vicinity of the licensed premises". This terminology is exceptionally broad and ambiguous. In practice, it may allow for a licence suspension based on incidents occurring well away from the actual premises, for which the licensee and their staff can have no responsibility or ability to control. We refer to two examples:

- In 2024, Bojangles Saloon had its license suspended for 48 hours in response to "incidents of disorder near the licensed premises on Todd Street". Statements were made that could have been construed as implying improper business practices relating to the responsible service of alcohol in that venue. A month after the events, Northern Territory Police issued a Correction and Retraction, stating that "review of CCTV show the primary instigators of the fighting were not Bojangles patrons. The CCTV review did not reveal lapses of Responsible Service of Alcohol practice by Bojangles." The shut down order had been made without the licensee being at fault and without the licensee having the opportunity to prevent the unfair punishment.
- Similarly, just this year, in response to a complaint made by the owners of Yeperenye Shopping Centre, the NT Liquor Commission introduced additional conditions on 20 licenses in Alice Springs, drawing a causal link without evidence between patronage at impacted venues and anti-social behaviour occurring at a shopping centre up to four kilometres away.

It is our view that this clause “in the vicinity” creates an untenable risk for businesses who may be left facing penalties for conduct they cannot reasonably prevent and to which they did not contribute. It would be punitive for any business in any industry to be forcibly shut down by NT Police for a period of time when the business itself is not at fault.

***Hospitality NT respectfully submits that the Government commit in full to natural justice by removing "in the vicinity" from section 258(1).***

### **Section 69 - Fees for licences and authorities**

Hospitality NT is very supportive of a more simplified license and authority fee structure, particularly for annual fees, as the current fee structure is incredibly resource intense to administer and confusing for local businesses to understand why the fee is what it is.

The introduction of Risk-Based Licensing fees have led to a situation where this is the current formula that Licensing NT and licensees must face every year:

$$F = [(BF \times V \times H) \times (1 - D)] \times Br$$

A simple fee that businesses could budget for each year, with no surprises, is a welcome improvement for business planning and budgeting. However, while we support the simplification of the fee structure, Hospitality NT would not support any increase to licensing fees as a result of the simplification process.

Many Territory hospitality businesses are operating under serious and sustained financial pressure. Recent reporting highlights that operators are facing a convergence of challenges, including rising operating costs, global fuel shortages pushing up airfares and tightening consumer budgets, and lower visitor numbers compared to previous years.

The Northern Territory's cost base is materially higher than in most other Australian jurisdictions, driven by elevated freight, logistics and operational expenses. The hospitality sector bears a disproportionate share of these cost pressures. Were these costs passed through to consumers in full, the industry estimates this would result in retail prices in the order of \$10 for a coffee and \$20 for a beer.

***Hospitality NT urges the Government to use the amended section 69 to ensure licensing fees remain proportionate, and do not add to the significant cost pressures already facing the Territory's hospitality sector.***

### **Section 73(1B) - Decision on transfer**

Hospitality NT welcomes the changes to the transfer process and has been long advocating for this reduction in red tape. We fully support the Bill distinguishing a licence transfer from an application for a new licence, enabling regulatory scrutiny to focus on whether the proposed transferee is a fit and proper person.

We are particularly supportive of clause 13(2) which provides:

*If the proposed transferee already holds a licence under this Act, the proposed transferee is, in the absence of evidence to the contrary, presumed to be a fit and proper person.*

This amendment provides a significant practical benefit for existing licensees looking to acquire another venue. Under the previous transfer process, an existing licensee would still be subject to the full "fit and proper person" assessment as if they were a new applicant. The new provision streamlines the process by creating a presumption of fitness.

This presumption can significantly reduce regulatory burden and processing times for transfers between existing licensees, who are already known to the regulator and subject to ongoing compliance obligations.

### **Section 113 – Variation of conditions on Commission's initiative**

Hospitality NT is supportive of the Bill imposing significant structural changes to section 113, introducing new procedural safeguards and a higher threshold for the Commission to act.

The current provision lacks a specific evidentiary threshold, meaning the Commission can initiate inquiries without needing to demonstrate a risk of harm or a public interest basis. The Bill addresses this by imposing a clear and appropriate evidentiary test. The Commission may only act on its own initiative if satisfied that the variation is either necessary to prevent or minimise a risk of harm to the community, or in the public interest.

Hospitality NT also welcomes the requirement for the Commission to consider the reported results of any Director investigation before deciding whether to vary conditions. Licensing Inspectors are on the ground, visiting venues day in and day out. They possess invaluable, firsthand knowledge of how venues operate. Consultation with inspectors and proper consideration of their reports will ensure that any own-initiative action is grounded in practical, operational evidence and not assumption or anecdotes.

***Hospitality NT welcomes to introduction of an evidentiary test to the Liquor Commission's own-initiative variations.***

Overall, the *Liquor Amendment Bill 2026* delivers meaningful reforms that reduce red tape for licensees while maintaining appropriate regulatory safeguards. Hospitality NT supports the amendments that preserve community alcohol protections and provide a clear transition pathway to the General Restricted Area framework

The final amendments we have proposed will ensure the Liquor Act continues to serve the Northern Territory community for many years to come.

Please let me know if you require any further information.

Kind Regards,



Cathy Simmonds  
Chief Executive Officer  
**Hospitality NT**