



*Mark Beyer*

<http://www.businessnews.com.au/article/Liquor-review-a-tough-call>

The state government's liquor licensing review has sparked a fascinating debate over corporate social responsibility, vested interests and Perth's social and cultural development.

The partial deregulation of liquor licensing has undoubtedly been one of the most profound drivers of change in Perth over the past decade. Arguably the most important change was the introduction of the small bar licence in 2007.

That has led to the opening of dozens of small bars across Perth and in regional centres, adding an entirely new dimension to the social experience.

The 2007 changes included a new public interest test, which required applicants to satisfy the licensing authority that granting an application would be in the public interest.

That has been a source of regular debate and was one of many issues addressed in the recent review, chaired by business leader John Atkins.

The trend toward deregulation took another step last year when the state government announced changes that made it easier for restaurants to serve liquor without a meal.

The high level of interest in liquor licensing was indicated by the 149 submissions sent to Mr Atkins' review.

That was almost matched by the committee's 141 recommendations.

One of the most important recommendations, which coloured the rest of the review, concerned the objects of the Act.

The committee concluded there is an inevitable tension between minimising harm and the interests of consumers and the industry.

It concluded this tension is a good thing, but chose to tilt the balance by recommending a greater focus on responsible behaviour by consumers and industry. It also proposed that the objects of the Act should replace "the requirements of consumers" with "the interests of the community as a whole".

The Australian Hotels Association responded by saying the review has championed the causes of health, anti-alcohol groups, and WA Police over the interests of the hospitality industry and the public.

The AHA was particularly concerned about the proposal for a new high-risk licence category that would include hotels and taverns.

In tandem with that, the review also proposed a higher licence fee for larger premises.

Clubs WA was also critical, saying it was inconceivable the review could ignore the benefits that licensed clubs can offer.

It believes clubs are regarded as safe venues with a very low level of alcohol-related harm and had therefore been seeking changes that would make it easier for tourists, for example, to patronise clubs.

Bearing in mind the self-interest of these lobby groups, they appear to have valid grounds for concern.

While the review made some proposals for lightening the regulatory load on low-risk venues, and smoothing the liquor licence application process, its overall thrust is coloured by public health concerns.

Instead of proposing changes that come down hard on repeat offenders, for instance, it has opted for across-the-board changes that don't seem to acknowledge the variable track record of different venues.

Put simply, some big hotels are very well run, while others are not. Good regulation should recognise this.

The review has also been cautious in its advocacy of further deregulation. When the government evaluates its response to the review, it should bear in mind the positive impact of small bar licences.

Before the 2007 change, nobody was sure what the impact would be; and if reform advocates had been required to prove their case, they would have faced an impossible task.

But looking back now, there is no doubt that allowing the market to flourish has been an outstandingly positive development for the state.