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Office of Liquor and Gaming Regulation

Department of  
Justice and Attorney General

Dr Richard Chadwick  
General Manager  
Adjudication Branch  
Australian Competition & Consumer Commission  
GPO Box 3131  
CANBERRA ACT 2601

Dear Dr Chadwick

I refer to Distilled Spirits Industry Council of Australia's (DSICA) submission of 25 September 2013, to the Australian Competition and Consumer Commission in relation to the Office of Liquor and Gaming Regulation's (OLGR) interim authorisation application for the Townsville CBD Liquor Accord. OLGR makes the following response to the issues raised in DSICA's submission. OLGR understands that the Townsville CBD Liquor Accord will make a separate response.

### **1. Proposed duration of a new authorisation**

DSICA considers that the new authorisation should not be for five years as it is their belief that this period is unnecessarily long for the purpose of determining the effectiveness and operation of the Pro-forma Liquor Accord Arrangement (PLAA).

OLGR recognises the importance of assessment of each and every price and supply control implemented by individual liquor accords. Authorisations A91224 & A91225 were granted by the ACCC conditional on certain actions to be undertaken by both the Liquor Accord implementing a price or supply control and OLGR. Briefly, these actions involved clearly identifying the harm targeted, developing indicators to measure any impact on the harm, documenting the harms and indicators and lastly, reviewing the impact of the control every 12 months. The ACCC requires OLGR to collect all documentation which must be supplied to the ACCC on request. OLGR believes that these conditions are sufficient and allow an ongoing assessment of how the PLAA is being applied by individual liquor accords. OLGR believes that with these conditions a five year duration is appropriate.

## **2. Establishment of price controls by the Townsville CBD Liquor Accord and the Whitsunday Liquor Accord**

DSICA considers that the establishment of a minimum price per standard drink by the Townsville CBD Liquor Accord and the Whitsunday Liquor Accord was not encompassed by the original authorisation. DSICA believes this control was implemented in preference to other opportunities available to cooperatively address venue promotions.

OLGR understands that both liquor accords firstly identified the harm to be treated and then considered appropriate options suitable to their environment and circumstance. OLGR believes that the price controls established were encompassed by the original authorisation. OLGR has been advised by the liquor accord that the setting of a minimum price at specific times and days was a direct action to negate a culture of rapid and excessive consumption at those times. Setting a higher minimum price at other times was to negate the alcohol-related harm identified as a result of extreme discounting. It should be noted that the implementation of these controls were and remain voluntary and non-binding.

## **3. Recorded alcohol related assault type complaints**

DSICA notes that the recorded alcohol related assault type complaints lodged with OLGR did not alter significantly during the trial periods and suggests there is no independent statistical basis for arguing that the minimum pricing in Townsville CBD has led to public benefit.

OLGR acknowledges that the statistical data available does not alter significantly during the trial periods however believes that consideration should be given to the anecdotal evidence supplied by the liquor accord and local community stakeholders regarding the decline in severity of violence within the precinct. The reduction in calls for police service on Tuesday nights should also be considered as evidence of public benefit.

The Townsville CBD Liquor Accord members and any other liquor accord wishing to utilise the pro-forma accord provisions would be contributing to a healthier and safer Queensland. In the absence of an ACCC authorisation, some uncertainty would be created as to the scope of initiatives that may be adopted by liquor accord members.

If you require further information in relation to this matter, please contact  
please contact Mr Lindsay Descovich, Principal Compliance Officer, OLGR,  
Department of Justice and Attorney-General on (07) 3224 2690.

Yours sincerely

A handwritten signature in black ink, appearing to read 'CRAIG TURNER', with a stylized flourish extending to the right.

CRAIG TURNER  
**A/Executive Director**

db 19 / 2013