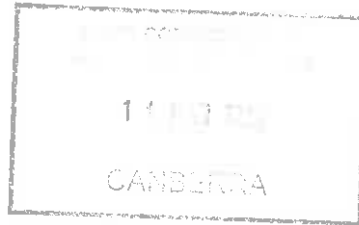


Please quote: OGR-1570229
Contact officer: Lindsay Descovich
Contact telephone: 322 42690



Office of Liquor and Gaming Regulation

Department of
Justice and Attorney-General

Mr Gavin Jones
Director
Adjudication Branch
Australian Competition & Consumer Commission
GPO Box 3131
CANBERRA ACT 2601


Dear Mr Jones

I am writing in relation to the Pro-forma Liquor Accord Arrangement authorisation numbers A91385 & A91386.

Condition Seven of the re-authorisation requires the Applicant, the Office of Liquor and Gaming Regulation, to provide a report to the Australian Competition and Consumer Commission each year until the expiry of the authorisation. Please find attached the first 12 Month Report.

If you have any queries in regard to this matter please contact Mr Lindsay Descovich, Principal Compliance Officer, Regional Services Branch, OLGR, Department of Justice and Attorney-General on 322 42690 or at: lindsay.descovich@justice.qld.gov.au.

Yours sincerely


MICHAEL SARQUIS
Executive Director
7/13/2016

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12 Month Report on the Pro-forma Liquor Accord Arrangement authorisation numbers: A91385 & A91386

Background

On 9 January 2015 the ACCC granted conditional re-authorisation to enable members of liquor accords operating in Queensland to adopt a pro-forma liquor accord agreement that restricts the price and supply terms on which participating licensed venues sell alcoholic beverages to consumers.

Authorisation was granted subject to conditions that are intended to ensure that the adoption of price and supply controls directly address alcohol related harm and are subject to transparent and independent oversight by the Office of Liquor and Gaming Regulation (OLGR).

The re-authorisation requires OLGR to provide a report to the ACCC each year by the commencement date of the authorisation until the expiry of the authorisation that includes:

- a. a statement as to whether the Applicant has complied with the Conditions for registration set out in conditions 1 to 6
- b. in respect of each application for registration of a Liquor Accord received within the previous 12 month period details of the application including a copy of the executed Liquor Accord, a list of all Liquor Accord Members and details of the Applicant's decision about whether to register the Liquor Accord
- c. details of any decisions made under conditions 5 or 6.

Conditions for Registration Statement

C1

Condition:

Within one week of the Commencement Date of this Authorisation, the Applicant must:

- a. establish a process for registering Liquor Accords that complies with conditions 3 to 5. The Applicant must publish the details of that registration process on its website;
- b. amend the Applicant's pro-forma liquor accord arrangement so that the Applicant's pro-forma liquor accord arrangement is the same as the 2014 Pro-forma Liquor Accord;
- c. provide written notification to established Liquor Accord Bodies, enclosing a copy of the amended pro-forma liquor accord arrangement and advising established Liquor Accord Bodies that:
 - i. the Applicant has amended its pro-forma liquor accord arrangement, and that the amended version is enclosed;
 - ii. authorisation of all existing Liquor Accords will expire 12 months from the Commencement Date of this Authorisation unless registration of the Liquor Accord has been obtained in accordance with the process set out in conditions 3 and 4;
 - iii. all Price or Supply Control Provisions are not authorised under this Authorisation unless:

- a) the relevant provision of the Liquor Accord is in the same express terms as the relevant requirement of the amended pro-forma liquor accord arrangement, or is in narrower terms;
- b) registration of the Liquor Accord has been obtained in accordance with the process set out in conditions 3 and 4;
- iv. other practices not expressly included in the amended pro-forma liquor accord arrangement are not authorised under this Authorisation.

The applicant must provide written notification to the Townsville Liquor Accord Body about the status of the Townsville Liquor Accord

OLGR Action:

Condition 1 required OLGR to complete several tasks within one week of the Commencement Date of the Authorisation. While all these tasks have been completed, OLGR was unable to meet this deadline. By 5 February 2015 OLGR had:

- a. established a process for registering Liquor Accords that complies with conditions 3 to 5 and published the details of that registration process on its website
- b. amended OLGR's existing pro-forma liquor accord arrangement so that the pro-forma liquor accord arrangement was the same as the 2014 Pro-forma Liquor Accord

On 3 February 2015 OLGR emailed established Liquor Accord Bodies and enclosed a copy of the amended pro-forma liquor accord arrangement. The email advised all established Liquor Accord Bodies that:

- I. OLGR had amended its pro-forma liquor accord arrangement, and that the amended version was enclosed
- II. authorisation of all existing Liquor Accords would expire 12 months from the Commencement Date of the re-authorisation unless registration of the Liquor Accord had been obtained in accordance with the process set out in conditions 3 and 4
- III. all Price or Supply Control Provisions are not authorised under the re-authorisation unless:
 - a) the relevant provision of the Liquor Accord was in the same express terms as the relevant requirement of the amended pro-forma liquor accord arrangement, or was in narrower terms
 - b) registration of the Liquor Accord had been obtained in accordance with the process set out in conditions 3 and 4
- IV. other practices not expressly included in the amended pro-forma liquor accord arrangement are not authorised under the re-authorisation.

C2

Condition:

Within one week of the Commencement Date of this Authorisation, the Applicant must:

- a. provide written notification to the Townsville Liquor Accord Body that its authorisation will expire two months from Commencement Date of this Authorisation unless registration of the Townsville Liquor Accord has been obtained in accordance with the process set out in conditions 3 to 4; and
- b. provide a copy of the notification to the ACCC.

OLGR Action:

On 3 February 2015, OLGR provided written notification to the Townsville Liquor Accord Body that its authorisation would expire on 9 March unless registration of the Townsville Liquor Accord has been obtained in accordance with the process set out in the determination. Copies of the full determination, the amended Pro-forma Liquor Accord Arrangement (PLAA) and a procedure for registering PLAAs were attached to the notification.

The ACCC was copied on this notification.

The Townsville Liquor Accord Body did not respond to the written notification and has not requested registration.

C3

Condition:

To apply for a Liquor Accord to be registered, a Liquor Accord Body must provide the Applicant with:

- a. a copy of the executed or proposed Liquor Accord, the Price or Supply Control Provisions of which must be in the same express terms as the 2014 Pro-forma Liquor Accord, or in narrower terms;
- b. a list of all Liquor Accord Members who are currently signatories to the Liquor Accord, and / or a list of all currently proposed signatories to the Liquor Accord (as relevant);
- c. for each Price or Supply Control Provision contained in the Liquor Accord a description of the Identified Harms that the Price or Supply Control seeks to address; and
- d. any other information requested by the Applicant that the Applicant considers relevant.

OLGR Action:

The original communications with liquor accord bodies explaining registration requirements were followed up throughout the year by OLGR representatives at accord meetings. As at 31 December 2015, the OLGR website pages containing these requirements have received 536 page views (413 unique viewers).

To date, no applications for registration of liquor accord bodies, including the Townsville Liquor Accord Body, have been received by OLGR.

C4

Condition:

The Applicant must not register a Liquor Accord that it receives in accordance with condition 3 unless:

- a. the Liquor Accord Body has provided the Applicant with all of the information required by conditions C3(a) to (c);
- b. after reviewing the information provided by the Liquor Accord Body, the Applicant is satisfied that the inclusion of each Price or Supply Control in the Liquor Accord is appropriate for reducing, and is proportionate to, the Identified Harms sought to be addressed by that Price or Supply Control. In making this assessment, the Applicant may make any enquiries and have regard to any information it considers appropriate, such as information and/or statistics from the Police, Ambulance Officers or other relevant stakeholders in the local area in which the Liquor Accord is to operate.

OLGR Action:

OLGR is required not to register a Liquor Accord that it receives in accordance with condition 3 unless certain prescribed conditions are met.

No applications for registration of liquor accord bodies have been received.

C5

Condition:

If, at any time after registering a Liquor Accord, the Applicant is no longer satisfied that a Price or Supply Control in the Liquor Accord is appropriate for reducing, and is proportionate to, the Identified Harms sought to be addressed by that Price or Supply Control, or for any other reason, the Applicant may decide to withdraw registration of that Liquor Accord.

OLGR Action:

No applications for registration of liquor accord bodies have been received. OLGR is not aware of any Price or Supply Control strategies currently being employed by liquor accord bodies.

C6

Condition:

The Applicant must provide written notification of that decision (including the date on which the withdrawal will take effect) to the relevant Liquor Accord Body. The withdrawal will take effect on the date specified in the written notification, but only if at least 4 weeks have elapsed since the written notification was provided to the relevant Liquor Accord Body. Prior to the withdrawal taking effect, the Applicant may decide to revoke the withdrawal at any time.

OLGR Action:

If OLGR decides to withdraw registration of a Liquor Accord written notification of that decision to the relevant Liquor Accord Body must be provided.

OLGR has not received any applications for registration or withdrawn any registrations.

Applications for registration of Liquor Accords and details of decisions made under conditions 5 or 6 above

No applications for registration of liquor accord bodies have been received or decisions made.