



**BREWERS
GUILD
OF NEW ZEALAND**

**Submission on the
Sale & Supply of Alcohol
(Community Participation)
Amendment Bill
February 2023**

About the Brewers Guild of New Zealand

BGNZ represents around 70 breweries of all shapes and sizes throughout New Zealand from the largest of breweries in New Zealand, to small microbreweries. Our members represent not only the full scale of the New Zealand's brewing industry they also represent businesses across all manner of geographical locations – from central Auckland to the middle of the Mackenzie country.

Many of our businesses operate tap rooms, small local bars, and bars and restaurants of a larger scale, all of which are consider core parts of their communities.

To give some scale to our industry and our membership base*:

- The brewing industry contributed \$3.3B to the NZ Economy in 2022
- Brewing provided the Govt with \$896M in taxes (estimated and across GST and Excise)
- There are around 200 Breweries in New Zealand

*(*Information sourced from 2022 Brewing In New Zealand Report, produced by NZIER commissioned by the Brewers Association of New Zealand)*

The Brewers Guild of New Zealand was created to support and give a collective voice to the vibrant, diverse, and socially responsible Kiwi brewing industry.

*This submission has been prepared on behalf of the Brewers Guild of New Zealand, by Melanie Kees, Executive Director of the Brewers Guild. Contact details are: 0275 460 888 or email melanie@brewersguild.org.nz.
The Brewers Guild of New Zealand, PO Box 1023, Christchurch 8140, New Zealand.*

The Brewers Guild of New Zealand wish to make the following comments on the Sale & Supply of Alcohol (Community Participation) Amendment Bill:

The Brewers Guild of New Zealand oppose the Sale & Supply of Alcohol (Community Participation) Amendment Bill and have outlined our concerns below:

1. We are concerned about the removal of parties' ability to appeal LAP's and we oppose this.

We believe that the right to appeal LAP's provides an important check and balance that assists in securing a more consistent approach across the country.

The existing Act already places significant restrictions on the right of people to appeal LAPs, however regardless of these restrictions, groups find other avenues to pursue appeals through the courts. Even if the appeal rights to LAPs are removed, it is likely people will continue to challenge LAPs through judicial review proceedings. Therefore, the Bill will not change the status quo in terms of proceedings before the Court of Appeal or Supreme Court (which, in reality, can only be funded by large corporates or public sector bodies). With this in mind, the restrictions in the proposed Bill will not succeed as intended.

As small business owners and operators, and often important parts of our local communities the ability to appeal LAP's gives us an equal voice. Many of our members would not have the ability to launch a judicial review therefore LAP appeals are often their only option to have a voice.

2. We oppose the provisions of the Bill which empower DLCs to decline a licence renewal application if it would be inconsistent with an LAP.

Sensitive sites, such as reserves, childcare facilities, medical centres, or places of worship, are often identified in LAPs. It is possible for LAPs to specify that a licensed premises should not be within 500m of a sensitive site.

Under the Bill, if a new sensitive site was established within 500m of an existing licensed premises, a sensitive site prohibition in an LAP could force the closure of that pre-existing premises irrespective of whether it was well run or valued by the community. Small local businesses are at the risk of being thrown out of business through no fault of their own.

As representative of many small to medium size businesses in the brewing industry these provisions are very concerning, as the effect this could have on what are well run, successful businesses across New Zealand, and often a core part of local communities would be devastating.

We believe a better approach, if an LAP is to apply for renewals would be:

- a. Applicable elements of an LAP should be specific to renewal applications only; and
- b. Those elements should be discretionary and framed in an evaluative manner (and not be prescriptive or as onerous as those that apply to applications for new licences).

3. We oppose the provisions which broadens the type of persons that can object to licence applications

Currently, an objector must establish a “greater interest in an application...than the public generally”. This has been interpreted as living within 1-2km of the application site or “doing business” in the locality. However, under the Bill, self-appointed “public interest groups” can effectively object to any application. This would allow a group based in Wellington, who are opposed to off-licences too object to an application in Dargaville, even though they are not part of the Dargaville community.

This means objections could be less specific to applications and generalised, and in turn would be detrimental to the licensing system over all. It would prolong application processes and create inefficiency.

4. We oppose the proposed changes to licensing hearings

The Bill suggests licensing hearings are legalistic and adversarial in nature and daunting for the public to attend. In most instances that we are aware of, hearings are run as a meeting type format where people share ideas or concerns, with little formality.

By the very nature of how licencing decisions are made, it is inevitable that some legal matters will arise in a hearing, therefore there is a need for them to be legalistic.

The major change proposed is the removal of cross-examination, which we oppose, and we believe that cross-examination is an important part of the process because it often helps parties get to the truth. We also feel that removal of cross-examination will increase the burden on the DLC’s to interrogate the evidence themselves, creating more administration and pressure.

The Brewers Guild of New Zealand wish to make the following recommendations:

As representative of a wide range of licence holders, the majority of whom are small to medium sized businesses run by responsible owners and operators, we believe that the Amendment Bill would be detrimental to their businesses. We feel that many of the proposed changes are not fit for purpose and do not meet the needs of what the Bill is supposedly trying to achieve.

On this basis we submit against the proposed changes in the Sale & Supply of Alcohol (Community participation) Amendment Bill.



Melanie Kees
Executive Director
Brewers Guild of New Zealand