

Mr Yaz Mubarakai; Mr Peter Katsambanis; Mrs Jessica Stojkovski; Mr Sean L'Estrange; Mr Kevin Michel; Mrs Lisa O'Malley; Ms Simone McGurk; Mr Paul Papalia

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## LIQUOR CONTROL AMENDMENT BILL 2018

### *Second Reading*

Resumed from 14 March.

**MR Y. MUBARAKAI (Jandakot)** [10.09 am]: Thank you, Mr Acting Speaker, and good morning members.

Several members interjected.

**Mr Y. MUBARAKAI:** I, too, stand this morning to share my thoughts on the Liquor Control Amendment Bill 2018. I think most of us would agree that we are, at heart, social creatures and we like to catch up with friends over a drink to share our stories about our lives or because we want to relax after a long week of work. We also like to connect with family to celebrate achievements and special dates. To do all these things, where do we go when we want to celebrate and share our stories? We go to our favourite spots where there is great service and great hospitality and we feel good when we go to them. We head out to the closest lively restaurant strips with great atmosphere with the smells and sounds that just make us feel good. In my electorate of Jandakot, we go to Fremantle; we go to the cappuccino strip or we head up the freeway towards the city. These are not exactly convenient journeys. With a few exceptions, we do not see these places in our outer suburbs. I think members will agree that we lack something in our local centres that could be really great. We could bring to our local suburbs some of the life and social energy that we now travel considerable distance to find. This is why I want to talk to members about some of the benefits that the Liquor Control Amendment Bill will bring to our local communities.

Here in WA we are trying to create lively, vibrant communities and neighbourhoods. We want to create places where people want to go. Our tourist centres already have this but our local centres can have it too. I think it will make a big and positive impact on our communities for us who live there and for our local small businesses and patrons alike. How will this bill achieve all this? How will it bring life and energy to some places that might be lacking it right now? The Liquor Control Amendment Bill will allow suburban restaurants to bring community members in for a glass of Margaret River red or a West Aussie pale ale without their having to buy a whole meal. At the moment, people who want to share an evening drink often drive some distance to socialise in established tourist centres. This is fine, but providing more choices for people to meet closer to home to socialise has to be even better. The bill will mean that local restaurant hubs can be activated and will be able to offer the same buzz and vibrancy that we know and love in our favourite spots. I think this is in line with the community's expectations in 2018 and I think it will make WA a better place to live overall.

These changes will be great for small business too. As we know, 97 per cent of businesses in Western Australia are small businesses. Small business owners are our neighbours, our friends; they are part of our community. I think it would be hard to find anyone here who does not know a small business owner. Many of us who go to our local restaurants and cafes will know the owner and their staff by name. They are a very central part of our community. We value having them around because, like our schools, they are the heart and soul of our neighbourhood. We love going there and we want them to thrive. For small businesses, the liquor bill will cut out a whole lot of red tape. Red tape is frustrating and, in the words of one small business owner, "It is traumatic; absolutely traumatic." That is not a word that we really want to hear from our small businesses that help make our state more appealing and enjoyable for residents and visitors. This bill will allow new restaurant owners who apply for restaurant liquor licences to concurrently receive a permit to serve alcohol without a meal and for the existing licensees to receive a permit without an application fee. This might not seem like such a big deal, but I can tell members that for some small business restaurant owners, getting a liquor permit is a nightmare. It is traumatic. Getting a liquor permit is as big a task by itself as all other things combined that a new business owner has to undertake to open the establishment. Getting a single liquor permit is as big a task as all these other things put together—finding the right business model, finding the location of the restaurant, applying for local government building approval, arranging for builders or fit-outs, applying for a health permit, recruiting and training staff for the front and back of house, organising the stock and supply chains and modelling the menus. These are just some of the things that consume a small business owner as they work to make their dreams of opening a restaurant a reality so that we as a community can enjoy a catch-up with friends and family over a meal or a drink. All these tasks put together add up to the same amount of work as getting only one liquor licence. This bill will change that. Small business people are responsible operators, who often put their life savings into a business. We are a tourism state. The McGowan government is trying to further open Western Australia to visitors, and people will support those aims by investing in restaurants and small bars—creating jobs and creating that exciting restaurant and bar atmosphere that people want to experience. To do this successfully, small business owners need to be supported by good governance, by the cutting of red tape. By allowing the flexibility of a streamlined permit application, it allows the small business arena to flourish for both our local neighbourhood restaurants and operators in our tourism hotspots. I can tell members that the liquor licence application process has been so complex and frustrating that it has actively stopped the progress and momentum of business ventures with the flow-on effect of stifling

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social interaction and the promotion of tourism in this state. Business owners I have spoken to are telling me that they are excited and support this bill as it is clearly a commonsense approach, and addresses a lot of the bureaucratic frustrations they deal with. It can also help make our state more attractive to visitors.

Until very recently, it has been a nightmarish experience to apply for a liquor licence. The experience, just a couple of years ago of a new green small business owner I know, left a lot to be desired. Visiting the office of the Department of Racing, Gaming and Liquor, they were advised that a restaurant liquor licence only could take up to anywhere between four to six months to be approved and a small bar licence would take even longer. They were given an application and a checklist that was checked off numerous times and submitted for both a restaurant and a small bar licence. After eagerly awaiting, they were informed in person six weeks later that certain documents were missing that had been initially approved. Another business owner told me recently about their experience of contacting the Department of Racing, Gaming and Liquor to inquire about the time frames involved in making an application to open a restaurant. They were greeted by a very enthusiastic staff member who advised that the process could be completed fairly quickly—in less than three months. The staff advised that they should also apply for a restaurant licence and an extended trading permit for the alfresco area and an extended trading permit to allow the supply of liquor without a meal. They would have to pay only one application fee whereas, previously, they would have been charged three sets of fees. Needless to say, this business owner was ecstatic. This is what we have to do to help businesses to thrive and to revitalise our restaurant industry for the benefit of the community. There has been a shift in the mentality of our racing, gaming and liquor authority that is in line with the community's expectations of today. From the department to the business community, there is emerging optimism and positivity from both sides. This bill not only provides more choices for the community to socialise, but also removes the burden of frustrating red tape on small business owners who create social environments for us to enjoy. I also agree with my good friend the member for Dawesville, Mr Zak Kirkwood, that although we are still hearing horror stories about the Australian binge-drinking culture, there is some good news.

**Mr S.K. L'Estrange:** It's Kirkup.

**Mr Y. MUBARAKAI:** Is it Kirkup? My apologies. I am corrected; thank you.

Several members interjected.

**The ACTING SPEAKER (Mr T.J. Healy):** Member, please continue.

**Mr Y. MUBARAKAI:** Although we still hear horror stories about the Australian binge-drinking culture, there is some good news. Not-for-profit organisation DrinkWise Australia did some decade-long research between 2007 and 2017 that shows that the rate of risky drinking has been declining across the board. A generational shift is happening in how we consume alcohol, which is great news. For me, as a father of two children who will be approaching drinking age within the next decade and as a local member, this trend towards more responsible alcohol consumption reassures me. That is why I am also delighted that the McGowan government has recognised this change and is acting to reflect it in further amendments that will allow restaurant-goers to save unfinished wine at the end of the night if they choose to. Have we not all been out to dinner with friends or family and bought a bottle of wine, enjoyed a glass or two and then, at the end of the night, when we are ready to leave, have found that there is still some wine left in the bottle? What do we do? We do not want to waste the wine so we share it and drink it. This bill means that restaurant-goers will be able to have a glass of wine and take the rest of the bottle home to drink another day. Western Australians are drinking more responsibly and this bill is supporting that. It is really commonsense.

I am pleased to speak on the Liquor Control Amendment Bill 2018 today because, as a former small business owner and someone who talks to business owners in and out of my electorate every day, I see the benefits it will bring to small businesses by alleviating the unnecessary frustrations in the liquor licensing process. As a community member and a local member with constituents who like to socialise with their families, friends and neighbours, I see the benefits of this bill in opening up more choices for people to enjoy sharing a drink and having a neighbourhood that is better activated through the revitalisation of its restaurants. As a member of Parliament with an interest in seeing this great state of Western Australia flourish, I see the benefits that this bill will bring in attracting more people to visit and to enjoy the growing restaurant culture on offer here. Today, I am proud to stand here as part of the McGowan Labor government once again delivering positive outcomes for small businesses and the wider community of Western Australia. I recommend this bill to the house.

**MR P.A. KATSAMBANIS (Hillarys) [10.23 am]:** I am pleased to speak on the Liquor Control Amendment Bill 2018. It is a strange bill. I have been thinking about how to characterise the bill. The bill in many ways will do some really good things that will help the vibrancy of our state, assist some small businesses and also, hopefully, help to create a more responsible drinking culture that is part of entertainment generally rather than solely entertainment for people. They are good things. However, at the same time, the bill introduces, or in some cases re-introduces, restrictions that will not help small business or the public of Western Australia. The bill in many

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ways is a confused piece of legislation. The narrative around it that it will free up liquor sales and create a new culture is only partly true and the government is basically trying to hide the hidden nasties. When I was trying to work out how to characterise this bill, I found that it is really an *Animal Farm* bill. It is a bill under which all animals are equal, but some animals are more equal than others. I will get to that in a moment.

As I said, there are some really good things in this legislation. I support those. I commend the Minister for Racing and Gaming. I know he has a passion for this matter and I also know the Premier has a passion for this area of reform. I commend them for bringing some of these changes to the house. Allowing restaurants to apply for extended hours and permits to serve liquor without meals is a good and logical thing. The member for South Perth, as lead speaker for the opposition, spoke about that eloquently. It actually allows some restaurants to add a little profit to their bottom line in what is still a difficult trading environment, and that is great. Giving existing bricks-and-mortar local licensees a chance to properly compete for pop-up locations with the growing pop-up industry is also good. It allows for more competition. The member for Dawesville, in particular, and the member for Perth talked about the value of pop-ups and the popularity of pop-ups for, they said, the younger generation. I would say it goes across generations. When people of my vintage—let me say, middle-aged people—come into town for special events like —

**Mr P. Papalia:** Middle aged?

**Mr P.A. KATSAMBANIS:** At 52, I think I am middle aged, because 104 is a pretty good innings, is it not?

**Mr P. Papalia:** You're younger than me.

**Mr P.A. KATSAMBANIS:** From now on and for time immemorial, I will call anyone who is older than the minister middle aged, so I will remain young in that case. It is not only young people who enjoy pop-ups; many people who come into town for the special events at Elizabeth Quay, the Perth Fringe World Festival and other festivals, or who come in to enjoy Yagan Square and the other facilities that have been provided, also enjoy pop-up facilities. It is something new and something different. However, giving bricks-and-mortar licensees—people who have invested a lot of money in their premises—the ability to compete on a level playing field is a good thing. I am not going to criticise or complain about that. The only thing I would say about taking away the public interest test for what is termed by the minister in his second reading speech as “low-risk” applications is: why restrict it to restaurants and small bars? I think in the future we could probably broaden that out.

**Mr P. Papalia:** We'll talk about that in consideration in detail, because I don't think we have. I just stated “like” those things.

**Mr P.A. KATSAMBANIS:** Yes; as the minister said, “like”. Other members have made the point—the member for Scarborough, the member for South Perth and the member for Perth made it very eloquently—that a lot of unnecessary time and expense is wasted dealing with the interaction of various players in liquor licensing applications. Again, I will address that in a minute. Taking away the need to prove public interest and the like, and just simply allowing the market to work out whether it is worthwhile for a restaurant or a small bar, or even a medium-sized bar, to operate in a locality and policing breaches of licensing, is a much, much better approach than forcing small business operators to jump through many hoops. It is small business operators who get walloped, because the larger operators, whether they are large national chains or large local Western Australian hoteliers and hospitality business operators, are pretty used to the system. They have a whole back end that works on this. The larger operators are probably not very happy to go through this system, but it is not life and death for them. It does not make the difference between being successful and being unsuccessful. However, for a young entrepreneur or someone who wants to go into a restaurant or small bar for the first time, the costs are prohibitive. Thousands and thousands of dollars have to be spent on consultants and reports and responding to reports from the public health industry and the Western Australia Police Force and the like. Therefore, getting rid of that test is a good thing.

A change has been made to the way visitors can use clubs. This has been an issue for a long, long time and it has remained unresolved. Clubs are ostensibly for their members, but in many places they are ideal locations for tourists in particular to enjoy some hospitality, perhaps where there are not that many options. Also, some of these clubs are struggling to survive. With local councils charging higher costs to tennis and bowling clubs to maintain facilities, the clubs would welcome the extra patronage. Allowing tourists and visitors to clubs to have a drink, go into a club and use the facilities is a good thing. However, I think the minister said in his second reading speech and the legislation provides, as I read it, that visitors would have to live at least 40 kilometres from the location of the club. That is well and good for interstate visitors and international tourists.

I look at the example of my local area. Often we find that international visitors in particular, but also interstate visitors, are visiting their local friends. People in Woodvale or Kingsley might want to pop down to the Sorrento Bowling Club with their visitors so that they can see what bowling facilities are like in Australia because the international or interstate visitors like bowling. Alternatively, they might want to pop into Hillarys Yacht Club

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for a meal; it has great facilities and is a good club with plenty of room. However, because the international visitors will be with their local resident friends, the group will not be able to go into the club. I notice that it is different from other states. Queensland has a 15-kilometre restriction. I think that restriction has significantly benefited a lot of the surf clubs in Queensland. The Kurrawa Surf Club on the Gold Coast relies almost solely on visitors to patronise its restaurant. It is right on the beach in a great location. We know that a lot of these clubs, including Sorrento Surf Life Saving Club and Mullaloo Surf Life Saving Club, are right on the beach and are great locations to take tourists to. Queensland has a 15-kilometre limit. In Victoria, the limit is five kilometres in the metro area and 10 kilometres in regional areas. I think in a large metropolitan centre such as Perth, five kilometres would make a lot more sense than 40 kilometres. It would mean that people coming from Baldivis to Sorrento might be able to get a meal and vice versa. Perhaps some of the people going from South Perth down to Rockingham could get a meal at a club.

**Mr P. Papalia:** Raise it in consideration in detail. I will seek advice because they might have arrived at it for a reason.

**Mr P.A. KATSAMBANIS:** I will. I will raise that at the consideration in detail stage. I think the minister recognises that some clubs are struggling and would like that little extra bit of revenue.

**Mr P. Papalia:** It is welcomed by Clubs WA, but you have to remember that there is another consequence if you make them too much like a pub. You get aggrieved people as well.

**Mr P.A. KATSAMBANIS:** There is a fine balance and a club licence is a club licence; I understand that. I am just highlighting that it is a bit confusing. It can cause, I think, unintended consequences and, in particular, it does not seem to fit with the provisions in other states.

Allowing Tourism WA to intervene in licence applications to highlight the tourism benefits of an application in some ways is very appealing. It counterbalances the points that are often made by the public health industry and by police. Some of those submissions made by both those bodies, to me, seem like they are made on ideological grounds, rather than on an assessment of a particular application. When we talk to anyone who has been involved in applying for a liquor licence, whether it is small, medium or large, they will say that dealing with these reflexive objections to their applications is costly, time-consuming and certainly not in the public interest in the vast majority of cases. Allowing Tourism WA to intervene with that process is good, because it will offer a counterbalance, but it will also probably trigger a new paper war. At the consideration in detail stage, I would like some feedback from the minister on whether this would shorten the time that it takes to determine an application and reduce costs or whether it is more likely to lead to further submissions from “the other side”, if you like, to counterbalance what Tourism WA said. Then we would get into this paper chase. As well intentioned as the provision is, it could make things worse, rather than better. I seek to clarify that matter. But all in all, those things are good.

What about the bill is not so good? What makes this bill clearly state that some consumers of alcohol are more equal than others? The answer is the changes to packaged liquor. We have changed our drinking culture here in Western Australia and across Australia quite significantly. One of the biggest changes has been motivated by a very, very important road safety issue. We have a long way to go, but when we look at where we were in the 1960s, 1970s and 1980s with drink-driving and the carnage caused on our roads, we realise that we have got much better. People have changed their habits. They do not go to the pub, have five or six quick drinks after work, jump in their car, and play Russian roulette on the way home. That was putting lives at risk and putting other road users' lives at risk. It is a great thing that that has stopped. We have got rid of the six o'clock swill, but people have substituted going to the pub with buying packaged liquor and drinking it at home. I argue that the people who do that in particular are the people who live in our suburbs, people such as me, people such as the people I represent in the electorate of Hillarys and those in places such as Joondalup, Jandakot, Kingsley and Wanneroo.

People want to buy their liquor at an affordable price and drink at home. Often on weekends and balmy evenings, they invite some friends over, have a barbecue and have a few drinks. That is how people in the suburbs consume their liquor these days. It is very different from the demographic that the member for Perth described in his contribution. He described people who live in the inner city, often without large recreational spaces at home, who like to wander down to the local bar, have a few drinks and wander back home or catch a cheap Uber back home. That is fine and good if people live in the inner city in those very vibrant tourist precincts, but people in primarily suburban areas such as the northern suburbs that I represent, the southern suburbs, the eastern suburbs and regional areas do not have that luxury. We do not have a bar within walking distance. We do not have a small bar that we can pop in to, have some wine and walk away. We rely on packaged liquor being readily available and well priced. The second part of that, alcohol being well priced, is all about competition. The Liquor Control Amendment Bill 2018 introduces—in one case, reintroduces—some horrible, anti-competitive practices that are really going to cause problems over time for consumers. A needs test is reintroduced for, I think, larger packaged outlets—I am not sure; I would like to clarify at the consideration in detail stage whether it is just large outlets or whether smaller outlets will

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also have to prove up the needs test. Either way, it is highly restrictive. It is silly. I do not need to requote the comments made by the current Premier, the then minister, back when he introduced his reforms more than a decade ago.

[Member's time extended.]

**Mr P.A. KATSAMBANIS:** The Premier made it clear that these sorts of needs tests were anti-competitive and really not fit for purpose. They were just a way for existing retailers or licence holders to restrict competition in an area. As we know, competition drives down costs and drives down prices. If I have a bit of time later, I might talk about the history of how that has happened and the people who drove it. The government and the minister's rhetoric about allowing more competition, more choice and more diversity is great for the inner suburbs where they are going to have small bars and pop-ups everywhere. It will be fantastic for people who live in Leederville, Victoria Park or South Perth.

**Mr J.E. McGrath** interjected.

**Mr P.A. KATSAMBANIS:** No, they cannot in South Perth. People who live in the western suburbs can go to Subiaco where competition—lots of pubs located close to each other—is driving a beer war. People can get a pint for \$4 or \$4.50, which some people welcome. It does not mean they are going to drink 50 pints. I notice that the member for Cockburn is very happy about that. We do not want people from Yanchep deciding, "Hey, that's a great deal! I'm going to drive down to Subi today. I'll have a chicken parma and three or four pints, then I'll play Russian roulette driving back home!"

**Mr P. Papalia:** Unless, of course, they are going to a club, in which case you think it is a good idea.

**Mr P.A. KATSAMBANIS:** No, the member is conflating two different issues.

**Mr P. Papalia** interjected.

**Mr P.A. KATSAMBANIS:** He is conflating two totally different issues; one person is having a drink with dinner and the other one is having perhaps more than a few drinks, which some people still like to do. I do not encourage them to do that, but some people like to do it in the privacy of their own homes where they are not going to harm anyone.

The message is clear for people who live in the inner suburbs and for hipsters who want to drink bio-organic, ethically sourced wine; there is nothing wrong with that. I encourage it. If there are any bio-organic, ethically sourced wine producers out there, more power to them. They are offering real choice to people and they are letting people think about their consumption as well, so it is a good thing. More of that would be great. That is fantastic. However, for people living in Padbury, Craigie, Joondalup, Currabine or Woodvale who want to get a bottle of that ethically sourced, organic wine and take it home to drink with their friends or family, or a couple having a few glasses after work, this government will make it harder for them to find a liquor store and it will drive up prices because it is bringing in a needs test and very anti-competitive distance and size restrictions. The government is effectively sending the message: "Hipsters in the inner suburbs, go for it—go crazy!—but people in the suburbs, we do not trust you. You can't determine where to buy your liquor and how to consume it, so we'll make it harder for you to find a liquor store and we're going to make it more expensive for you because we're going to drive out competition." That will also drive out innovation because perhaps someone might have wanted to set up an organic, ethically sourced wine shop in a region outside the inner city—outside the hipster zone. They may not be able to do so because of these restrictions. The government is also stopping businesses from expanding. No size limits or kilometre restrictions are written into the bill; they will all be prescribed by regulation. I hear around the traps that 400 square metres is going to be the limit before these rules apply and, for the location test, it is whether a business is located within five kilometres of an existing liquor facility of more than 400 square metres in size. What about a pub with a bottle shop attached or a standalone liquor store that does a good job, works hard, sources product at a good price and becomes really popular, and it wants to grow or add things to the store? If the facility is 350 square metres and they want another 70 square metres to showcase Western Australian wines—they think adding another 70 square metres will be a good deal for them and a good deal for consumers who seem to want it—they cannot do that if they are within five kilometres of another store that is more than 400 square metres in size. It will impact on small business far more than it will impact on large business, and it will stop small business from growing. I will give some examples in a minute. I think it is ridiculous.

What is driving all this? It is this fear of Dan Murphy's, supposedly. That is what I hear: "Oh, the Dan Murphy's and First Choices of the world." These restrictions would have stopped Dan Murphy from even setting up shop if they were around when Dan opened his first store. I knew Dan Murphy quite well. He was a wonderful character and one of the great drivers of the growth of the Australian wine industry. He was extraordinarily generous with his time and his advice, as well as his finances. He was an amazing character. His passion was to grow the Australian wine industry. Yes, he sold beer and spirits primarily but he could bore for Australia on wine. If we want to talk about the heroes of the Australian wine industry, people talk about the Max Schuberts,

**Extract from Hansard**

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Maurice O'Sheas and the like. They were great winemakers, but Dan was a great promoter of Australian wine. He set up his first shop on Chapel Street in Prahran a bit before my dad set up his shop on Chapel Street. I think the history books say 200 metres, but I would say it was set up no more than two good drop punts from his father's liquor store. Dan set up in competition with his father. They had a bit of a stoush for a few years, then his father retired. As I said, his mission was to provide the best quality wine at the best possible prices. He set up down the street from his father, bringing the shop out onto the main street. The store is still there today if anyone wants to have a look. In fact, it is directly opposite the large Dan Murphy's on Chapel Street, but I think they use it as a boutique cellar. When I last lived in Melbourne, it was a JB Hi-Fi store, but it has obviously been taken back over. It is a great part of the Australian wine story and the history of Australian wine. This man would not have been able to open his store a couple of drop punts from his dad's store and offer competition, driving down prices. It is funny that history repeats in the Murphy family. Back in the 1980s after the Victorian government liberalised liquor licensing laws, Dan expanded his empire. I think he had two stores at the time I met him—obviously the one in Prahran on Chapel Street where I knew him from, and one in Alphington. He managed to expand quite quickly. What did his son, Philip Murphy—who I hope is still in good health and doing well—do? Philip went and opened up his own chain in competition with Dan, and lo and behold, he called it Philip Murphy's—as you do, I guess, in the Murphy family! Again, under these restrictions Philip would not have been able to open up his store within a five-kilometre radius of any of Dan's stores. Two very successful businesses that, in the end, were both bought out by Woolworths, at different stages; that is how successful they became. A young man with a vision of promoting Australian wine set up a little shop in competition with his father down the road and grew it into the large business we know today. I am very glad that it is still owned by Australians. It is owned by Woolworths, a publicly listed company on the Australian stock exchange. Most of us, through our superannuation funds or directly, would own it. It is a great success story.

I want every small business that aspires to be a big business to become one. I want them to be successful. I want them to have entrepreneurship and to strive to grow. These restrictions, if they had been implemented back in the day, would have stopped Dan Murphy from opening his stores and stopped Philip Murphy from opening his stores. What else would these restrictions have done? In the end, they would have hurt the Australian wine industry, which would not have grown as quickly and as well as it has, including the Western Australian wine industry. It would also have meant that consumers would still be paying higher prices. That is what this government is going to do for people in the suburbs and regions. It is going to make things more difficult for them.

During consideration in detail, if other members do not, I will probably have some questions around the proposed changes to the home delivery of liquor, because disruption is coming, and it is coming very, very quickly. As we have seen with other matters, particularly on-demand transport, legislators can sometimes be that little kid in the Netherlands with his finger in the dyke. We want to make sure that these regulations, which we have not quite seen yet—although we have heard whispers about what they might look like—will actually do what they are intended to do and will not be anti-competitive or stop the growth of online packaged deliveries.

I spoke a little about the actions of Western Australia Police and the public health industry that will unfortunately not be curtailed by this legislation, but hopefully the government will address that in the future. In closing, I would like to say yes, the good bits are good, but the bad bits are really, really bad. Unfortunately, the message the government is sending out there is, "If you live in the inner city, we're going to make things easier and cheaper for you and give you more choice and more competition." That is a good thing; I do not resile from supporting that, but the suburbs are being told, "You can't have your drink when you want it."

**MRS J.M.C. STOJKOVSKI (Kingsley)** [10.53 am]: It gives me great pleasure today to contribute to the second reading debate on the Liquor Control Amendment Bill 2018. I congratulate the Minister for Racing and Gaming for bringing this amending legislation to Parliament on the back of the very successful small bars legislation that was enacted a decade ago.

We are very fortunate in Perth in that we enjoy lovely weather and an atmosphere amenable to getting outside. As I have stated before, I worked in town planning prior to entering Parliament. Increasingly in town planning spheres there is a greater focus on creating usable, vibrant spaces that foster community interactions and cohesion. Businesses such as small bars, pop-up festivals and micro-festivals help contribute to the vibrancy of an area in a city or suburb. At the City of Wanneroo there was a focus on creating vibrancy and activating spaces. There is no point in creating spaces, however beautiful or functional, if nobody is going to use them. Most people in our society nowadays like to enjoy a drink, responsibly, with friends. The vibrancy and vitality of a place is dependent upon layering a variety of uses that operate at different times and attract different types of people.

Take for example Fringe World Festival, which we were lucky enough to enjoy in recent weeks. The festival was attended by locals, tourists and families; admittedly, there was a younger crew. There were backpackers, artists and professionals. The festival attracted a variety of people to a variety of performances throughout the day and night. Anyone who was fortunate enough to attend the festival and its many activities would have felt the vibe.

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This can be attributed to the mix of different people who were in attendance, along with what was being shown at the various attractions.

I am very sure that my days of shimmying on the dancefloor into the early hours of the morning, night after night, are over, but that does not mean I do not enjoy spending time with my friends and family in a casual setting, enjoying a few glasses of wine. This shows that there is definitely a market for establishments, like small pubs, that create atmosphere—small, intimate settings where friends can enjoy a drink without their conversation having to compete with loud music. The streamlining of the process for small bar applications will assist small business owners to achieve this dream. These amendments also provide an opportunity for restaurants to diversify their business offerings which, in an ever-changing economic and business environment, is vitally important.

We live in a world in which disruptive technologies and trends are becoming more prolific, so it is important for us to manage them and to ensure that our legislation is relevant and allows business owners to adapt to them. Working at the RAC and as a strategic planner at the City of Wanneroo, I came across a number of these disruptive trends, including Airbnb, electric cars, the introduction of trials for driverless cars, and food trucks. It is our responsibility as legislators to make sure we allow these things to come to fruition if that is what the community wants.

If I can turn to food trucks for a minute, I realised early on the potential that food trucks presented. The community was asking for them and the fledgling businesses desperately needed a place where they could regularly trade. As a planner, I also saw the potential for place activation in public open spaces, and the idea of improving community safety through passive surveillance. If there are lots more people around, there is less chance of antisocial behaviour, and using food trucks as the catalyst seemed to be a good idea. I set about a process of implementing a food truck trial at the City of Wanneroo. This was no easy feat; there were local laws and policies that were not flexible enough to accommodate a disruptive new business trend such as food trucks. It took me six months and a lot of jumping through hoops to finally achieve the goal of creating a trial for food trucks within the City of Wanneroo to see whether they would be viable, both financially and socially, without impacting too much on the established bricks-and-mortar businesses in the area.

This legislation is like my food truck trial. It is responsive to the changing environment of hospitality in our state. It allows businesses to adapt, particularly the provisions for allowing established hospitality venues to participate in micro-festivals. This will help to activate the small spaces around them, such as laneways, streets, streetscapes, parks and public open spaces—something that, as a planner, is very dear to my heart. Although I am clearly a supporter of food trucks and pop-ups, because I firmly believe in their capacity to bring communities together, as a small business owner I also understand the pressures on small business, especially when new businesses or trends enter the market and trading space. As the owner of Party Plus in Osborne Park, it was a big hit to our business when Big W and Spotlight decided to start trading in the party supply area, but there was not much that we could do about it. The amendments that we are bringing in today for the hospitality businesses will provide them with some flexibility to adapt and leverage off the festival feel, which I spoke of earlier, and to augment their bricks and mortar businesses.

I commend the bill to the house and I congratulate the minister for bringing some innovative changes to legislation in Western Australia.

**MR S.K. L'ESTRANGE (Churchlands)** [11.00 am]: Thank you, Acting Speaker. It is always a pleasure to have you in the chair to preside over this very significant and important effort to streamline the liquor sector in Western Australia. Unfortunately, it is nothing more than a divisive veneer of populist politics, which again we see from the Minister for Tourism and the Premier, pitching one sector of the Western Australian community against the other and distorting the liquor market in Western Australia. That is the reality of what we are seeing. Although they will put out press releases showing them to be hip and cool and in touch with the groovy people in Perth —

**Mr Z.R.F. Kirkup:** The inner city elites.

**Mr S.K. L'ESTRANGE:** — the inner city elites, as the member for Dawesville said, they straight up are ignoring the people who put them here in this place. They are ignoring their heartland constituents who—members might not realise this—also enjoy a drink. It is not only the cool hipsters, but also the hardworking mums and dads who live in suburban Perth, many of whom elected the government and its backbench to this place, that the government has turned its back on. I want to pick up on some of the points and concerns raised by the members of the opposition that may somewhat counter this flowery enthusiasm by our new government backbenchers who are ignoring some of the concerns of the community and of the tourism, hotel and liquor sector.

Paternalism for those who live in the suburbs is what we are seeing. For those who are trendy and who love frequenting city bars and festivals, they are the cool people and the government will look after them more. A lot more needs to be done.

**Extract from Hansard**

[ASSEMBLY — Thursday, 15 March 2018]

p852a-870a

Mr Yaz Mubarakai; Mr Peter Katsambanis; Mrs Jessica Stojkovski; Mr Sean L'Estrange; Mr Kevin Michel; Mrs Lisa O'Malley; Ms Simone McGurk; Mr Paul Papalia

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I will start by looking at some of the commentary in the media on this matter. It relates to proposed section 36B(3) of the Liquor Control Amendment Bill. An article in *The Weekend West* on Saturday, 17 February by Daniel Emerson titled “Retailer v State in ‘booze barn’ clash” states —

*The Weekend West* can reveal amendments to the Liquor Control Act to be introduced next week would ban liquor outlets of a certain size from opening within a specified radius of each other. The Government is proposing 400sqm and 5km.

A separate plank of the legislation would ban the Director of Liquor Licensing from approving any new packaged-liquor outlet, regardless of size, if they were satisfied requirements were already being “reasonably” met by outlets nearby.

This is essentially an active intrusion in the market to reduce retail supply in suburban markets. It is nothing more, nothing less. In so doing, it is distorting that market. I will read some of the commentary from the Minister for Tourism in the same article. The article states —

Mr Papalia said big retailers were moving into a well-serviced area, “cannibalising everybody else through the provision of low-priced liquor in bulk and in so doing oversupplying that particular area and doing considerable harm”.

He denied the proposed reforms would affect prices.

How can he deny that when he himself has been canvassing the idea of putting in a floor price as part of the policy? He did not go that far in this instance, but certainly he has been canvassing that concept.

**Mr P.A. Katsambanis:** They have three more years.

**Mr S.K. L'ESTRANGE:** Correct; they have three more years. They have been canvassing that concept.

To say that this effort will not impact on prices is pure market rubbish—absolute rubbish. The government is either incompetent to the microeconomic understanding of supply and demand or it is simply deceiving the people in the suburbs; it is one or the other.

**Mr Z.R.F. Kirkup:** Either one is possible.

**Mr S.K. L'ESTRANGE:** Either one is possible. The member for Dawesville intimates that both may be true.

**Mr Z.R.F. Kirkup:** Indeed.

**Mr S.K. L'ESTRANGE:** Indeed.

Let me read a little more from that article. Shane Tremble, the corporate services general manager for Woolworths —

**Mr P. Papalia:** Where is he located?

**Mr S.K. L'ESTRANGE:** That includes Dan Murphy's. In an article, he is reported to have said —

... it was nonsensical for the Government to promote competition but curb bottle shops.

That, again, is just a basic understanding of the market. If supply is cut, prices will go up; it will get rid of competition. It is a fundamental concept that should be well understood by the Minister for Tourism. Supporting this concept that it is a market distortion is, in the same article, commentary by Liquor Stores Association of WA chairman Lou Spagnolo, representing smaller retailers. He is reported as saying —

... it was wise to have controls which cut pressure to discount heavily.

Of course he is going to say that, because it is supporting the small supplier. He is actually giving the government the big hint here that what it is doing is actually market interference. Good on him for representing those smaller retailers—that is his job—but what he is highlighting is that by distorting the market, the government is picking winners and it is therefore excluding losers from the market in the process. The member for Hillarys gave us some very good background information on that Dan Murphy's history, which was most insightful to this debate. We can safely assume that the minister is keen to distort a market and he is doing so under the guise of health in some regards.

I refer now to the member for Dawesville's comments, which I enjoyed listening to and making notes on. He made some points around the importance of harm minimisation, but he did highlight that distorting markets, which increases prices, can drive consumers to seek cheaper substitute goods. That was a key point he made on the harm minimisation aspect. He also made reference to reports such as the United Nations “World Drug Report 2014” and the National Drug and Alcohol Research Centre report. I will quote an article in which the centre's director, Alison Ritter, said —

“Substitution between substances, whether they're legal or illegal, is very common,” ...

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The minute we start distorting the market for alcohol and making it too expensive, a pretty simple equation follows. We can draw from that that people may actually go looking for alternative drugs, which may be illegal, such as ecstasy or cannabis, which has health ramifications and legal ramifications for those consumers. I do not think we should discount this. Members should not think that prices falling is all bad. The market will sort itself out one way or the other. Sometimes it can sort itself out with significant negative health outcomes. The member also highlighted that this legislation is silent on the app-based purchase of alcohol; again, another market that will simply come into play, whether the government likes it or not, if it starts distorting the market in the suburbs and putting up prices. It is well worth remembering that.

The bottom line here is that the government is basically advocating that people in the suburbs are to pay higher prices. There is no other way around it. That is what the government is advocating. I think it needs to have a good hard look at that, because it is not in the best interests of the government's heartland constituency to exclude choice in how they purchase their alcohol.

I will now move to a piece of information from WAtoday. It is a quote from Premier Mark McGowan. He said —

“We all know hipsters all want to go to Melbourne to have fun. We want to make sure Perth competes on a level playing field with Melbourne,” ...

Also, the Minister for Tourism said —

“We are moving to try and change the culture of drinking in Western Australia towards a more continental European drinking culture,” ...

I wonder how the people out in Belmont feel about that! I wonder whether people are all going to rush out now to try to get trendy tattoos all up their arms and grow those nice beards and —

**Mr D.A. Templeman:** Come to Mandurah—that's already happened!

**Mr S.K. L'ESTRANGE:** Yes, but do they have the hipster ones? This is going to be a hipster tatt!

**Mr D.A. Templeman:** I am even thinking of doing it myself! I reckon I'd look good with one!

**Mr S.K. L'ESTRANGE:** It is a hipster tatt for people with those beards! It is for the gentrified, middle-aged hipster like the member for Mandurah over there—a very relaxed man who likes hanging out in the small bar enclaves of the City of Perth, where he can sip away on his white peach and gin fizz and stroke his manicured beard! I am sure the member for Mandurah loves this piece of legislation. But the hardworking people in suburban Mandurah just want to be able to go down to their local liquor store and purchase their alcohol to enjoy at home.

**Mr P. Papalia:** What a snob! What a cultural snob you are!

**Mr S.K. L'ESTRANGE:** I am not being a cultural snob! I am sure many hipsters from Mandurah and Dawesville get on the train to travel to Perth and travel to events and festivals. I am sure many of those people live in Dawesville and Mandurah. But you are not listening to me, minister —

**Mr P. Papalia:** I am! Sadly, I have to! You're a snob!

**Mr S.K. L'ESTRANGE:** There are people who are not hipsters or flush with cash living in the electorates of Dawesville or Mandurah, and it is those people you are turning your back on. So you in actual fact are being the snob because you are supporting those with lots of cash who can afford to be hip and trendy, at the expense of the hardworking mums and dads who are trying to raise a family, who have barbecues at home, who need to be able to go down to the local bottle shop and buy their alcohol so they can enjoy the company of their friends because they are no longer in that marketplace or because raising a family is expensive. They cannot go drinking these trendy gin fizzes at a festival in Perth; they have to stay with their family and their friends in their local suburbs. Through your legislation, minister, you are turning your back on that market by distorting it and making those people pay more than they should for alcohol. So if you want to talk about snobbery, look in a mirror, minister.

Let us get back to the bill. There is another interesting aspect to all this that I will read to members. This is the bill, minister; I hope the minister is well across it. Proposed section 36B(4) reads —

The licensing authority must not grant an application to which this section applies unless satisfied that local packaged liquor requirements cannot reasonably be met by existing packaged liquor premises in the locality in which the proposed licensed premises are, or are to be, situated.

Proposed subsection (5) reads —

Regulations made for the purposes of the definition of *prescribed distance* in subsection (1) may prescribe different distances in relation to packaged liquor premises in different areas of the State.

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There we have it—a perfect opportunity for the minister to add red tape and pick winners in the suburbs, impacting on mums and dads who just want to buy some alcohol to relax at home with their friends and family. That is what the minister is doing, and he should have a good close look at it because distorting the market will never be beneficial for those most concerned with it.

There is another very interesting aspect to this distortion; that is, it ignores existing businesses. The member for Hillarys picked up on the point I will now make. Existing business throughout Western Australia—existing hotels—are in the process of redeveloping their facilities. They are either doing it now or could be doing it in the future. They could have business plans for redeveloping their businesses so that they can compete with these big-box retailers such as Dan Murphy's. That is what they need to do. They might have said, "I want to compete with the big players and so I want to expand my premises", and a key part of their business plan may be to expand their premises into the bottle shop area. Under this legislation, because that is not yet in the pipeline, they will have to stop. They could have a three-phase business plan, of which they have done phases 1 and 2 and developed their bistro and hotel area, and phase 3 was to have been a large expansion of their bottle shop. The minister is now saying they cannot do that. So they have invested all this money into aspects of the business that might not provide a big turnover to their business. The minister is distorting the market and harming businesses that exist in the suburbs of the people and business owners that put the government in this place. He is doing that without acknowledging the health impacts that could come from increasing prices on these products.

The minister should consider exempting existing businesses from the impact of this legislation, so that they are not pushed out of the market completely by these changes. If the minister does not consider that, he may have to face the reality that some of the owners of these businesses could come knocking on his door saying, "Are you going to compensate us for this change to the market situation that you imposed on us without giving us any consultation or warning you were going to? Our business could now go under as a result." The minister should also consider that.

On the topic of red tape, during her second reading contribution, the member for Vasse raised considerable concern about red tape. From memory, she particularly discussed the extended trading permit system. One of its real key areas is that at the moment extended trading permits that allow extra hours a day to trade are issued for a maximum of five years on application. Renewal requires a formal application, a public interest assessment, and can be subject to intervention by the WA Police Force and public health. More red tape not only for that business after five years, but also for the government. All the government needs to do is say, "We've issued you with your extended trading permit", and that is it. If someone does something wrong and it is cancelled for disciplinary reasons, it is taken off them. Why not simplify that? Where is that in the bill? Why not make it easier for businesses to get on with their 10-year business plan, instead of having to go back through the whole rigmarole every five years?

**Mr P. Papalia:** Are you interested in discussion?

**Mr S.K. L'ESTRANGE:** No, I am not interested in discussion at the moment.

[Member's time extended.]

**Mr P. Papalia:** I was going to ask you which clause you're talking about, and specifically which —

**Mr S.K. L'ESTRANGE:** Minister, it is your bill—work it out! Have a look.

Another thing we obviously need to keep watch on and listen to is the concerns of the health sector. I do not believe the minister has listened to the concerns of the health sector and how they relate to this bill. The minister thinks he is making improvements—he thinks increasing prices will have a good health outcome—but we on this side argue that the minister is not looking at the second and third-order consequences. The health sector needs to be listened to. I quote from *The West Australian* —

National Drug Research Centre professor Steve Allsop said health should be the primary issue in licence applications.

... there is no other reason for liquor licensing laws other than the public health considerations.

"There is a myth regarding drinking in southern Europe and in fact many of these countries have extremely high levels of alcohol related problems."

That is the health sector; obviously it will say that. I reiterate also the points made by the member for Hillarys earlier that they have to be looked at in balance. However, I am saying absolutely give good health consideration but do not think that distorting the markets will improve health outcomes. It will shove people into different markets. It will shift suppliers that are not being considered in this legislation into the market, such as those mentioned by the member for Dawesville that appear as an app on the internet. There is a good one that all members should look at that the member for Dawesville mentioned, called Tipple, which operates in New South Wales and Victoria. Members should google Tipple and have a look at it. It says on its website —

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Delivered Cold & Fast. Sit back and relax while our Tipple riders deliver your order in 30 minutes. Fast and cold, just the way it should be.

If we distort the markets in the suburbs, a new Tipple will come to Perth pretty quickly. I do not know who helped the minister write his legislation, but he has not thought it through beyond the obvious. He has ignored the market forces of supply and demand, which shows a complete lack of knowledge of microeconomics. He has come up with policies that he thinks are fancy, but are plain silly. He needs to have a good hard look at his advisers or he needs to do a bit of research himself and talk to the people most affected.

**Ms S.F. McGurk** interjected.

**Mr S.K. L'ESTRANGE:** The member for Fremantle has to defend him, does she?

**Ms S.F. McGurk** interjected.

**Mr S.K. L'ESTRANGE:** Good on you, member for Fremantle; keep defending the minister —

**Ms S.F. McGurk** interjected.

**Mr S.K. L'ESTRANGE:** — because he is certainly not up to the job.

**Ms S.F. McGurk** interjected.

**The SPEAKER:** Member for Fremantle!

**Mr S.K. L'ESTRANGE:** He obviously has absolutely no idea.

Let us look at another item in *The West Australian* written by Kate Emery, dated 24 February 2018, titled “Fringe sets records as crowds turn to the city”. It states —

And the capacity of its pop-up drinking venues is now twice that of Northbridge’s pubs: about 15,900 compared with 7900.

As I said, for young hipster people and families who can afford to go to the city and enjoy the festival and those over 18 who can enjoy going to some pop-up bars to have a drink, that is great; I have no problem with that at all. However, we need to think carefully about what we are doing to the market—to the hardworking businesspeople who have invested a lot of time, energy, effort and hard-earned money or a big bank loan to build their bricks-and-mortar business. How will it impact on them? The article states further —

Inner-city publicans and restaurateurs mainly support the festival, partly for the “Fringe effect” that provides a boost to business.

They are not saying that they do not want pop-ups. They say, “Yes, it’s okay.” They are also saying the following —

But the growth of Fringe has not been without speed bumps.

Fringe parted ways with the Noodle Palace at Elizabeth Quay mid-festival this year because of concerns its party events “do not embody the values of Fringe World”, said a spokeswoman.

There have been concerns pop-up venues risk cannibalising bricks-and-mortar trade.

Bradley Woods is quoted as saying —

“We need to ensure these events boost rather than displace trade for existing local businesses,” ...

“Legitimate festivals should not be confused with illegitimate pop-up beer barns, which hurt local businesses, damage employment opportunities and have a detrimental impact on Perth’s hospitality industry.”

Again, it is very important that the minister listen to industry’s concerns and understand microeconomics and supply and demand in this particular market for alcohol and alcohol products, and that he make sure he is not creating second and third-order consequences to the market that he himself is not prepared for, as evidenced in that article at a venue that was clearly not operating in the way it was intended for that festival by the festival directors or organisers, hence the commentary in *The West Australian*. It is important to look beyond the populist approach. It is incredibly important that the minister look beyond his populist approach.

In conclusion, we need the minister —

**Mr P. Papalia:** You completely contradicted yourself.

**Ms S.F. McGurk** interjected.

**The SPEAKER:** Members!

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**Mr S.K. L'ESTRANGE:** The minister is not listening. We need the minister to demonstrate less hypocrisy and show greater awareness of basic market economics. That is fundamental. He cannot say that the government will not put in a floor price and the legislation will not have an impact on prices when the entire market is telling him that if he cuts the capacity for increased supply, prices will go up. It is basic stuff. If supply is restricted in a supply-and-demand market, prices will go up. It is simple. If supply is increased in market festival environments without due respect for the bricks-and-mortar venues, that festival market supply will be flooded and that will damage existing businesses that have to comply with harder restrictions and harder rules. The minister is displaying a complete lack of knowledge of different markets. This was the point I made at the start of my speech. There are two markets. There is the groovy hipster inner-city festival market and the suburban market. I have clearly differentiated between the two from the start. I have articulated what the minister's legislation will do to both markets and the concerns this side of the chamber has about the impact it will have on both markets. The minister is refusing to listen, but is grabbing my conclusions on a piece of information around one market and deciding to use it to justify what he is doing in the other market, and that means he is ignoring basic market economics. He does not understand. He needs to get some advisers who can sit him down and walk him through good old-fashioned supply-and-demand microeconomics relating to those two different markets.

He also needs to treat with respect his consumers and constituents, particularly those in his electorates because they will be the most impacted by this. The minister says that they will not, so, again, he is out of touch with his community, because all Western Australians like to get a good deal. The member for South Perth is very loyal to his small business operators in his electorate and is quite happy to pay a higher margin because he likes to support them. The majority of people do not have that luxury.

[Emergency evacuation alarm system activated.]

*Sitting suspended from 11.27 to 11.46 am*

**Mr S.K. L'ESTRANGE:** Unfortunately, I was caught mid-sentence before the interruption. It just so happens that while we were out on the lawns during the emergency alarms, I saw a tweet from the member for Morley, who seems to think that somebody wanted me to stop speaking. The member for Morley probably had her hand next to the button because she wanted to shut me down! Do members know why she wanted to shut me down?

Several members interjected.

**The SPEAKER:** Members, please, we have young children in the audience listening to us.

**Mr S.K. L'ESTRANGE:** She does not want her Labor government to be held to account for this piece of legislation, which ignores some fundamental principles of market economics. It ignores the concerns of the Australian Hotels Association and retailers throughout Western Australia and the fact that two markets are involved in the industry. There is the inner-city, pop-up, boutique bar market for the hipster, trendy people with cash so that they can have their gin fizzes and have fun with their bushy beards. Then, out in the suburbs, there are the hardworking mums and dads who do not have loose cash lying around because they have to raise their family, look after their kids and pay for all the household expenses and taxes that this government keeps increasing. Shame on the government for doing that! The government is also quite happy to distort the market in favour of looking trendy and hip. I am sure that the Minister for Racing and Gaming shares a car with the Premier and they probably have Echosmith re-running through their iPods, iPads or whatever.

**Ms R. Saffioti:** Who was it—Echosmith?

**Mr S.K. L'ESTRANGE:** I think from memory Echosmith's song goes along the lines of "I wish that I could be like the cool kids". That is what they want to be. They want to be cool and hip—that is all they are interested in. They fail to understand that the first thing a minister of the Crown should do when making market changes is sit down and understand the basic economics of supply and demand. They need to talk to their advisers and ask them what the second and third consequences will be if they increase the price of alcohol in the suburbs and ask where the market will get its alcohol from. They need to understand those consequences and how the market will adjust to the government's blunt instrument changes. They need to recognise that this bill might not have the actual beneficial health impact that the government thinks it will have; it may in fact have negative health impacts.

**MR K.J.J. MICHEL (Pilbara)** [11.49 am]: It gives me great pleasure to speak in support of the government's Liquor Control Amendment Bill 2018. I commend and congratulate the Minister for Racing and Gaming for introducing this bill. It is evident that a lot of effort and consultation went into these amendments, which will result in a Liquor Control Act that will suit the current needs of Western Australia. The bill complements the continuing efforts of the McGowan government, which recently had its one-year anniversary. In that time, we have provided great opportunities for Western Australians. We have already provided great opportunities for jobs and supported small businesses and boosted tourism, one of the state's key economic drivers. The bill will further enhance these achievements.

**Extract from Hansard**

[ASSEMBLY — Thursday, 15 March 2018]

p852a-870a

Mr Yaz Mubarakai; Mr Peter Katsambanis; Mrs Jessica Stojkovski; Mr Sean L'Estrange; Mr Kevin Michel; Mrs Lisa O'Malley; Ms Simone McGurk; Mr Paul Papalia

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The benefits of the Liquor Control Amendment Bill are many. These benefits include the creation of a more tourist-friendly culture in Western Australia to continue to boost tourism in our cities and regions. We need to ensure that the hospitality sector is able to provide positive tourism experiences. These experiences need to continue to compete with those in the rest of Australia and contribute to ensuring that the Western Australian tourism experience surpasses the rest. This cannot happen without ensuring that strategies are in place to reduce the harm of alcohol in some cases and in some areas of the community. The McGowan government takes its responsibility around liquor control seriously. There needs to be a balance between the reduction of red tape and regulatory burden that has impacted on the tourism and hospitality industries and safety around social issues caused by the misuse of alcohol. This bill will increase the powers of the police to target problem drinkers and assist communities that are suffering from widespread harm caused by alcohol abuse.

Closing loopholes in the law to reduce the potential for access to alcohol by juveniles and to control the increase in the availability of bulk, low-cost liquor will help to reduce harm caused to young people and problem drinkers. This bill will amend the act to create a more relaxed and enjoyable drinking culture for responsible drinkers. However, we also need safeguards. The McGowan government is introducing changes in an effort to reduce the potential harm caused by alcohol to our youth. Online shopping, especially in regional areas, provides access to goods and services like never before. As with all advances, we need to be aware of any negative implications. There is a loophole in the law around online shopping that allows for the potential supply of alcohol to juveniles. Young people with access to an adult's credit card can order alcohol online; the delivery is left on the doorstep with no requirement for a signature or proof that liquor has been provided to a person over the age of 18. This creates the very real potential for juveniles to access liquor. The 2013 report of the Independent Review Committee into the Liquor Control Act 1988 recommended amendments to the act to close this loophole by requiring a signature on delivery for any product containing any alcohol. Further consultation will be conducted with delivery services, producers, licensees and other stakeholders to determine the detail of how this will be implemented across all delivery services.

The amendments in this bill strike a positive balance between liberalism and regulations to encourage a cultural change towards reasonable drinking practices and reduce the harm that alcohol can cause in communities. In remote regional and isolated communities, changes to certain sections of the act will provide increased police powers to target loopholes in the law. The legislation allows the police to target problem drinkers and assist communities in an effort to minimise the harm caused by alcohol. Proposed section 109A imposes a limit on the quantity of liquor that a person can have in their possession in those prescribed areas that have liquor restrictions in place. In my electorate of the Pilbara and other regional areas of the state, authorities, police and government and local communities make a concerted effort to tackle the social issues caused by the misuse of alcohol. One of these issues is the practice of sly grogging. This is a harmful and illegal practice by which people buy large quantities of liquor from areas with no restrictions and drive long distances to sell it at an inflated price in prescribed areas, often to at-risk and vulnerable members of the community. Police will have additional powers at their discretion to determine whether people intend to sell these large quantities of liquor at inflated prices. Police will be able to seize and immediately dispose of the alcohol. These provisions remove the burden of proof previously required of the police. Importantly, the lawful carriage of liquor, such as liquor being delivered to liquor licence holders, will not be affected by these new provisions. Depending on the area, exemptions for genuine tourists could be prescribed in the regulations. These provisions will act as a major deterrent to sly grogging and help lessen the flow of alcohol into remote communities. This will support the restrictions already in place that are intended to minimise alcohol-related harm. This provides the government with another legislative mechanism to address the harm caused by the sale of liquor when unscrupulous operators seek to make a personal gain from vulnerable communities.

Another positive change that proposed amendments to the act will make is the introduction of a temporary membership category for clubs in Western Australia. The bill includes provisions for clubs to sell and supply liquor to visitors, allowing local sporting and social clubs to welcome genuine visitors and tourists. The regulations will set an appropriate distance. It will likely be around 40 kilometres from a visitor's place of residence. This ensures that genuine visitors and tourists can benefit. This is a win for local community clubs, particularly in smaller towns and remote parts of the state where tourist dollars can inject funds into clubs that often rely on volunteers and fundraising.

Small businesses in my electorate of Pilbara have welcomed the proposed provisions in the bill to free up licensing restrictions and cut red tape. For example, this legislation will simplify the process for restaurants applying for an extended trading permit to serve alcohol without a meal. This allows more flexibility and innovation for small businesses. Health and safety aspects of liquor licensing will continue to be important considerations and, with the new provisions, tourism aspects also will be a factor in the decision-making.

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The proposed amendment bill balances the safety needs of the community and provisions for increased police powers with a more streamlined approach to licensing restrictions to allow the further development of a responsible and relaxed approach to alcohol consumption within the state. I commend the bill to the house.

**MRS L.M. O'MALLEY (Bicton)** [11.58 am]: I rise to add my contribution to the debate on the Liquor Control Amendment Bill 2018. I commend the minister for bringing reform to this area and I thank him for doing so with a commitment to achieving the best balance between the rights of consumers to enjoy alcohol at a restaurant or bar or at home and the growth of small business and the imperative to reduce alcohol harm. I believe this bill gets the balance right.

Almost every community in Western Australia is inundated with liquor stores selling packaged liquor, sometimes at extremely cheap prices. In my electorate of Bicton, two liquor barn outlets are within two kilometres of each other and several smaller liquor outlets are within a short distance of each other. Community and resident groups and many individuals have voiced their concerns about and objections to a proliferation of local liquor outlets. Large liquor outlets, in particular those that are closely located to each other and sell heavily discounted alcohol, are seen to be problematic within our local communities. The Liquor Control Amendment Bill 2018 aims to reduce the potential problems that may follow. I believe it is important to note that excessive and harmful consumption of alcohol is a whole-of-society health and education issue. I acknowledge the important part that the changes in this act will play with the implementation of strategies to reduce harm. However, just as importantly, many opportunities are also contained within the Liquor Control Amendment Bill, and I will take this opportunity to make comment on both.

I will begin by reflecting on the harm-reducing strategies in the bill. Two areas are of particular interest to me personally and have relevance to the electorate of Bicton: liquor barns and juvenile access to liquor. The first, in relation to liquor barns, is as a consumer and resident, and the second, in relation to juvenile access to liquor, is as a parent of a teenager. My colleague the member for Maylands shared some alarming statistics on binge and underage drinking and how they are associated with large liquor outlets. The member also spoke of drinking rates at harmful levels and the link to the ease of access to, and the affordability and availability of, alcohol in these large liquor outlets. This legislation will provide a prescription for proximity of large liquor outlets to one another. Unfortunately, it comes too late for the people of Bicton who campaigned against and questioned strongly the need for two large liquor outlets—Dan Murphy's and First Choice Liquor—within two kilometres of one another.

Under the provisions in clauses 18 and 44—proposed sections 36B and 77A—some of the proposed changes are around distance, density and size in the floor test in metres squared, and provide that the licensing authority must not consider an application for a new packaged liquor premises if it is located within the prescribed distance of an existing packaged liquor premises and if the retail section of the applicant's premises and any existing premises is larger than the prescribed size. Further, distance, density and size in the floor test by meters squared apply to the prescribed area, prescribed distance and retail sections of packaged liquor premises. In part, this provides that the licensing authority must not consider an application to alter or redefine the licensed area of a packaged liquor premises in the following instances: if it is located within a prescribed distance of another packaged liquor premises with a retail section that is larger than a prescribed size; or if the alteration or redefinition will increase the area of the retail section of the premises so that it will exceed the prescribed size. I would welcome a prescribed size of 400 square metres as suggested by the authority, within a proximity of about five kilometres of another large liquor outlet. I also acknowledge the benefit that these changes will make to local government planning considerations and I look forward to the finer details being determined. I am confident that the director of Liquor Licensing will work closely with key stakeholders to reach a reasonable outcome.

The second area of harm reduction that has great significance to me personally as the mother of a teenager is the strengthening of regulations around juvenile access to alcohol. Alcohol is widely used by young people. Binge drinking, drink-driving and unsafe sex can all result from the misuse of alcohol. I will take a moment to reflect on some of the effects of alcohol on the young brain of a developing teenager. Alcohol affects two crucial parts of the brain that are vulnerable when a teenager is developing. This can result in irreversible brain changes that can impact decision-making, personality, memory and learning. Although several parts of the brain are affected by alcohol during the teenage years, two areas of the brain are particularly sensitive to alcohol during this period. The hippocampus is responsible for memory and learning. Studies of adolescents show that heavy and extended alcohol use is associated with a 10 per cent reduction in the size of the hippocampus. Studies also show that the function of the hippocampus is uniquely sensitive to alcohol at this time and that alcohol may be poisonous to the nerve cells of the hippocampus, causing them to be damaged or destroyed. The prefrontal lobe is important for planning, judgement, decision-making, impulse control and language. This area of the brain changes the most during the teenage years. Research with adolescents who drink heavily shows that these young people have smaller prefrontal lobes than young people of the same age who do not drink.

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The body of research about the effects of alcohol on the developing brain is still growing. Studies have shown that physical changes in the brain and evidence of impaired problem solving and other cognitive function result from young people's alcohol use. It is well known that of young people in Australia who drink, the number who experience alcohol-related problems is high. Studies of these young people show significant and detrimental changes in brain development compared with their non-alcohol using peers. Australians generally tolerate alcohol as a socially acceptable drug, yet it is responsible for most drug-related deaths in the teenage population. Alcohol use in teenagers also has a variety of serious health and emotional risks, and I am relieved to see the supply laws to juveniles strengthened in clause 36 of the bill.

I listened with interest to the member for Dawesville's speech on the online on-demand purchase and supply of alcohol and the difficulties of control in this area. I am all too aware of the challenges around online purchasing and direct delivery methods of purchasing alcohol, so I know how important it is that we get the legislation right around on-demand alcohol purchases. I am very mindful, as is the minister, of the critical need to control access to this method, which could potentially be used by juveniles to purchase alcohol. Unlike the member's rather cynical assessment of the capacity of this bill to put effective controls in place, I would like to acknowledge and thank the minister for his work in this area.

**The ACTING SPEAKER:** Members, could we just keep the conversations a bit lower, please. I think Hansard is having a bit of a battle here. Go on, member.

**Mrs L.M. O'MALLEY:** I know that the minister is well aware of the challenges and will continue to do whatever is necessary to ensure legislation on juvenile access to alcohol is as strong as possible. This bill amends the act to allow regulations to be made to prescribe criteria for licensees when delivering liquor.

Now I turn briefly the opportunities and benefits for the community, clubs and small businesses of Bicton and beyond that are contained in the Liquor Control Amendment Bill. I am particularly excited at this bill's ability to facilitate increased economic diversity and the job-creating opportunities to be found through the related growth in the hospitality and tourism sectors. Many small business owners live in my electorate. The entrepreneurial spirit is strong in Bicton and this kind of exciting reform will have many members of my community paying close attention. Reducing liquor control red tape will provide opportunities for current businesses to expand, new businesses to start up, our economy to grow, jobs to be created and local cafe and street culture to thrive, and our vision of and belief in our great state as an exciting and vibrant place to live and visit will expand and mature. I am excited to see how these changes will flow into small business growth and community vibrancy throughout Bicton. I congratulate the minister for bringing important reform to this area and I commend the bill to the house.

**MS S.F. MCGURK (Fremantle — Minister for Child Protection)** [12.07 pm]: I am very pleased to be able to make a brief contribution to the Liquor Control Amendment Bill 2018. I do so with the lens of my responsibilities as the Minister for Prevention of Family and Domestic Violence; Child Protection; Women's Interests; and Community Services. I really commend the minister for his work in balancing employment opportunities and amenities that need to be acknowledged in hospitality precincts or even areas where we live in the suburbs, regional centres and the like, in making sure small businesses, in particular, can be viable. Those needs have been balanced against considerations of harm minimisation, which, of course, are very prevalent as well. Rightly, there is a concern in the community that we suffer from some abuse of alcohol generally in our society. It is not just in Western Australia; I think it is in Western culture and other modern cultures generally. I think we need to acknowledge that alcohol has many damaging effects, particularly alcohol abuse, and that it is essentially a drug. It is a drug of dependence and, as Professor Sir Ian Gilmour, chair of the Alcohol Health Alliance UK, observed in his 2013 review of the Licensing Act, it is a psychoactive drug. There is often a lot of emphasis on the harmful effects of illegal drugs and the abuse of prescription drugs, but significant harm is clearly also being caused by the abuse of alcohol in our community.

One of the issues we also need to acknowledge is the prevalence of alcohol in social environments, whether at sporting events, celebrations or work functions and the like. There are times when we really need to challenge the prevalence of alcohol in the way people socialise in our community. I am sure we have all had the experience of family or friends having a break from alcohol or deciding to put alcohol aside; often there is societal and community pressure on them to drink. We need to support those people who decide not to drink and make sure that we can enable people to decide to have a break, drink responsibly or not drink at all, in all social environments. Many of the amendments in the Liquor Control Amendment Bill 2018 are designed to encourage local community conversations about what that means in social environments.

Just over 15 per cent of people in Australia have had 11 or more drinks in a single drinking session, about one in six people have put themselves or others at risk of harm while under the influence of alcohol over the past 12 months, and about one in 10 people have injured themselves or someone else because of drinking over their

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lifetime. Those are findings from the “National Drug Strategy Household Survey 2016”. People have identified that, over the past 12 months, they have drunk excessively and put themselves at risk or injured themselves or others. As I said, we need to encourage an ongoing discussion about the harmful effects of alcohol in our society.

It is not just a personal cost, a family cost and a cost to the local community, but also a cost to the services that are needed to support those who abuse alcohol. Police throughout the community spend a huge amount of their time mopping up the effects of alcohol abuse, whether through violence or antisocial behaviour. Clearly, people pay a huge health price, but our health system is also impacted hugely by alcohol abuse. It also affects people’s ability to participate in employment and care for their children. Various studies have looked at the financial costs of alcohol-related abuse. One 2010 study stated that the negative impact on our society of alcohol abuse costs us more than \$14 billion.

If we look at the inroads we have made with smoking, we see the effectiveness of a comprehensive public health campaign and committed resources over a long period in changing community attitudes. The availability of cigarettes has been restricted and price mechanisms have been used, and we have seen a huge decline in smoking rates. Those are some of the levers that could be and are being used to deal with the pervasive abuse of alcohol in our society.

I want to address the impact of alcohol on domestic violence. It is often said to me that alcohol is a cause of domestic violence and that if we could look at limiting or stopping the availability of alcohol, if that is possible, we would stop domestic violence. There have been various studies and there are various opinions on whether alcohol exacerbates or is, in fact, the cause of domestic violence.

One of the things the Labor Party committed to doing before the election and then did soon after coming into government was to sign on to Our Watch, which is a national organisation that was originally set up by the Victorian and commonwealth governments, but which now includes South Australia, Tasmania, Queensland, the Northern Territory and the ACT. Its job is to drive nationwide change in the social norms, structures, attitudes and practices that underpin and support violence against women and their children. This government and I subscribe to Our Watch’s analysis, which essentially makes a distinction between the drivers of violence against women and children and the reinforcing factors. When they look at the drivers, they talk about the condoning of violence against women; men’s control of decision-making and limiting of women’s independence; rigid gender roles and stereotyped constructions of how women should participate in society; and male peer relations that emphasise aggression and disrespect towards women. Those are identified as the essential drivers of domestic violence. However, Our Watch concludes that alcohol and alcohol abuse are reinforcing factors that can increase the probability, frequency and severity of violence against women and their children.

Just as people can have alcohol without being violent, so too can people be violent without using alcohol, and that message has been driven home to me in some of my discussions with regional Aboriginal communities, for instance, when we have talked about how we might deal with alcohol abuse in their communities. Alcohol abuse is no excuse for violence under the law; it is no excuse for violence—full stop. We need to make sure people understand that it is not necessarily a cause of violence, but that it does exacerbate domestic violence.

I read the Our Watch 2016 submission to the Victorian government’s review of the Liquor Control Reform Act 1998. It states, in part —

Evidence shows that it is gender inequality that is the fundamental, underlying driver of gendered violence, hence it is advancing gender equality that is the key focus of our work at Our Watch. However, we also know that the harmful use of alcohol is one of a range of reinforcing factors that can interact with gendered social norms, structures and practices to ‘trigger’ particular incidents of such violence, or to increase its probability, frequency or severity.

That is to say if we want to reduce domestic violence and the impact of alcohol, we need to look at where there is an intersection of all those harmful social norms. I agree with that view.

I have had discussions with the Minister for Racing and Gaming, who has carriage of this bill, about leading conversations to tackle some of the social issues confronting communities in the West Pilbara, such as alcohol abuse in Roebourne and the surrounding communities, for example. One of the challenges is that they are not in a remote community and we cannot just turn off the availability of alcohol, if in fact we can do that anywhere. This bill also deals with the issue of sly grogging—people supplying excessive amounts of alcohol to communities. In the case of Roebourne, it is only half an hour from Karratha and not far from other very large towns. Even though there is no alcohol outlet in Roebourne, there is certainly still significant alcohol abuse. As with any approach, we need to work with the community so that it is embedded in the practical realities of the community and there is ownership by leaders in that community to deal with alcohol abuse. I was particularly pleased to host some of the Indigenous rangers who have been funded by this government and who are caring for land and some of the community elders who are helping to manage that program. We had a number of women rangers here for

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morning tea at which you, Mr Acting Speaker (Mr R.S. Love), were present. One of those elders from Port Hedland talked about the need to tackle alcohol abuse as a key element of rebuilding their community and how fantastic it was that her own son had recently spent some time sober at significant events with his children, including a first birthday party. We need to work with the community to achieve those sorts of changes. The Minister for Racing and Gaming in his second reading speech and also other speakers in this debate have canvassed how elements of this bill are aimed at dealing with some of those issues.

I want to make another couple of points on the impact of alcohol. Many speakers have mentioned that there is no hiding from what is in plain sight for everyone to see. Antisocial behaviour, children coming into care, homelessness and the rate at which people are coming to rely on community services are all negative measures of the abuse of alcohol. Clearly, alcohol is not the only cause of those things, but it is no doubt a contributing factor. In 2016, alcohol was the primary drug of concern for 27 per cent of all treatment episodes at the state government treatment services. National data referred to by the Foundation for Alcohol Research and Education indicates that alcohol is involved in up to 65 per cent of family violence incidents reported to police and up to 40 per cent of child abuse cases each year across Australia. Alcohol is involved in about one in three incidents of violence by an intimate partner, or 34 per cent, and three in 10 incidents of other family violence, or about 30 per cent. I think most people would understand, as I said when I referred to the analysis and to the conclusions drawn by Our Watch, that there is no doubt that it exacerbates antisocial behaviour and, in many cases, violence.

A recent study by the Telethon Kids Institute, led by Professor Carol Bower and clinical associate Raewyn Mutch, looks at the impact of foetal alcohol spectrum disorder on children currently serving time in Banksia Hill Detention\_Centre. It is a shocking incidence. These are not only children who could be formally diagnosed with FASD, as the formal diagnosis is quite challenging because of the expert opinions that need to be sought. Also, in effect, there is an element of diagnosis whereby as much as possible it needs to be confirmed that the mother abused alcohol while she was pregnant. Obviously, that information is often not available, so a strict diagnosis of FASD is quite challenging. Notwithstanding that, TKI worked for over two years with over 100 young people aged between 10 and 17 years who were incarcerated at Banksia Hill. Of the 99 young people who completed full assessment, 36—more than one in three—had FASD and only two had been diagnosed previously. We know that a much larger number of those children were diagnosed as having developmental difficulties.

[Member's time extended.]

**Ms S.F. McGURK:** We know that that will have a huge impact on how we work with those children from a juvenile justice point of view and how we deal with them in the community setting, the juvenile justice setting and the education setting, and then how we manage them as adults. Sadly, they are hugely over-represented in our justice system generally. That diagnosis shows us that the misuse of alcohol and the impacts it can have on people's lives are complex and multifaceted. The impacts vary from individual to individual, but we see from the study that a pregnant woman's drinking may have occurred for a relatively brief time, but the effects are felt for a lifetime by those children later on. A focus of the government with the early years initiative, which we announced earlier this week, is to make sure that we work with women who are likely to become pregnant to increase their education and understanding and with women who have recently discovered they are pregnant to understand the harmful effects of drinking during pregnancy. That is particularly important in the cohorts that are more at risk in these areas. As I have said many times before, we are determined to tackle these issues with the community, with the proper structures and legislation, but also with proper research and data to inform how that work can best take place.

Another area I want to raise in my contribution to this debate is research from Victoria in around 2005–06; I do not have the exact date for it. It was a longitudinal analysis of alcohol outlet density and domestic violence. The study looked at the concentration of liquor outlets and the negative effect on domestic violence. Michael Livingstone, who works for the Turning Point Alcohol and Drug Centre, completed this study under the AER Centre for Alcohol Policy Research and concluded that alcohol outlet density was significantly associated with rates of domestic violence over time. In particular, the density of hotel, or pub, licences and the density of packaged liquor licences were positively related to domestic violence rates, as distinct from the density of on-premises licences, which were negatively related to domestic violence. The greater the concentration of hotel licences and packaged liquor licences in one area, the more negatively it affected domestic violence rates. The study looked at 186 postcodes over metropolitan Melbourne from 1996 to 2005. That is significant because we do not have many studies that look over such a long period. The opportunity for a contribution by members of the local community to say what impact they think particularly large warehouse or bulk liquor outlets will have on

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their local community, their local society and their local amenity is really important and is clearly lacking in the current legislation.

In South Fremantle, near the corner of Douro and Hampton Roads, we have a relatively new Dan Murphy's. In the same shopping precinct is a Liquorland, and Aldi has just set up in that same shopping centre and applied to planning at the City of Fremantle to have a liquor outlet there. That would mean that in the same shopping area there would be three cheap liquor outlets, and that is not good. I do not think it is good for the broader Fremantle community, or any community, to have a concentration of cheap, large warehouse packaged alcohol outlets. I think the opportunity for the community to participate in that debate and have its voice heard on what it wants is a really significant amendment in the Liquor Control Amendment Bill 2018.

I listened to some of the contributions, and I was a little confused about the opposition's position on some elements of this bill. At times I thought it was supporting the bill; at other times I think it opposed parts of it. I am interested to see how the opposition votes and whether it moves amendments. I commend the work of the minister in listening to the needs of industry, particularly those of small business, which I think we all understand needs to be viable. But sadly the costs of abuse of alcohol in our community are many, and the conversation on the structures we can put around liquor control needs to be ongoing to ensure that abuse and harm are minimised. Sadly, I see our failure to do that too often in my portfolios.

**MR P. PAPALIA (Warnbro — Minister for Racing and Gaming)** [12.31 pm] — in reply: It is a pleasure to rise to respond to the second reading contributions of so many members. It was timely that the Minister for Prevention of Family and Domestic Violence spoke about her portfolios and the impacts of alcohol consumption, and appropriate for her to hold such a responsible view on this legislation, as did many others. I thank them all: the member for South Perth as the shadow minister; and the members for Perth, Southern River, Baldivis, Maylands, Dawesville, Vasse, Mount Lawley, Roe, Burns Beach, Geraldton, Bunbury —

[Quorum formed.]

**Mr P. PAPALIA:** There was also the members for Scarborough, Jandakot, Hillarys, Kingsley, Pilbara, Churchlands, Bicton and Fremantle. All made a very —

**Mr J.E. McGrath:** Also the member for Riverton.

**Mr P. PAPALIA:** Sorry; the Leader of the Opposition. Of course. Sorry; my apologies. If I left anyone off, I apologise for that. All contributions were thought-provoking and valuable in that they demonstrated clear interest in an important field. Obviously, alcohol, its regulation and the legislation governing its consumption will always excite the interests of not only members of Parliament, but also the entire community, and that is appropriate. It was good to see such considered responses.

Before I respond to some of the contributions, I want to extend an apology to the member for Dawesville for the manner in which I interjected on him with respect to his view of some components of the bill. I am disappointed he is not here; he obviously had to go. Anyone's view is legitimate, and clearly we have a philosophical difference, particularly with respect to some of the aspects of this amendment bill that relate to packaged liquor outlets, bulk liquor barns and the delivery of alcohol considerations of the bill. Of course his views are worth contributing and reasonable, and he should rightly present his views. I should not have derided him. I was doing it in jest, but that was not appropriate because this is a significant and important discussion.

**Mr J.E. McGrath:** He asked me to accept the apology on his behalf!

**Mr P. PAPALIA:** I know he will cherish this *Hansard*. He will be able to print it off and wave it in my face whenever I act in a perhaps inappropriate way on other occasions. I wanted to say that to him. It does not mean I agree with him and will necessarily accept some of his amendments, but nevertheless it is good that he contributed.

With respect to the other contributions, I will go through and address some of the indications of concern that members had or observations they made, but essentially the bill—this will frame the entirety of my contribution—seeks to achieve a balance. We recognised the need to continue the liberalisation of liquor legislation started by the now Premier more than a decade ago that resulted in such positive and significant change to Western Australian society. The creation of the small bar legislation that enabled a proliferation of small bars and diversity and innovation in the hospitality sector cannot be questioned as being a positive outcome for the state. The results have been embraced by hundreds of thousands of Western Australians, and my view is that that initiative had the single biggest impact on the hospitality and tourism sector in Western Australia. It was easily far more significant than building a stadium or building a precinct. Changing the legislation to enable innovators and entrepreneurs to create lively, diverse, interesting and attractive offerings in the hospitality sector changed our state. It changed the city, but it also changed the state because there are small bars right across the state; they are not concentrated only in the middle of the city, as the member for Churchlands seems to believe. They are everywhere. There are many in

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Rockingham in the Premier's own electorate, enabled only by the changes he pursued when he held the portfolio that I now do.

Beyond that, I make an observation on one of the statements of the member for Churchlands. He suggested that the first thing to do when framing legislation of this nature is to educate ourselves about the potential micro-economic impacts of the legislation. That is reasonable, but I would say that is not the first thing to do when reinvigorating the discussion and action around liberalising liquor legislation, while seeking to balance it and incorporate a degree of harm minimisation. It has to extend across the full spectrum. At one end is liberalisation to enable further creativity and innovation in the hospitality sector and vibrancy in our cities and towns right across the state; at the other end, harm minimisation has to be addressed. That is not, as suggested by the member for Hillarys, somehow inconsistent; that is appropriate. Alcohol is a drug, and I think we have all conceded and agreed that it must be consumed in a lawful fashion and regulated in a manner that seeks to reduce harm. We heard from the Minister for Prevention of Family and Domestic Violence; Women's Interests that it is a significant component in what can lead to domestic violence, but all manner of crime is associated with the harmful use of alcohol. I do not think that is in question. Of course, we will incorporate a degree of harm minimisation in the legislation. That is what we sought to do but the very first thing we did was talk to the people who would be impacted by the legislation. That is the first thing I think we should do with just about any piece of legislation. Unlike the member for Churchlands, I have spoken to all the people who represent small businesses that sell alcohol, that operate pubs, that engage in the tourism sector and that deliver hospitality services. I have spoken to those people. I spent a long time doing that. My staff have probably done more consultation on this matter than on anything else we have handled to date in the last 12 months. Certainly, they have gone above and beyond to ensure that every person who wanted to make a contribution could do so.

I will thank on the record some of the parties we have consulted and extend to them my thanks for their engagement and willingness to participate in this process and actively guide us with the development of the legislation. I caution the member for Churchlands about lecturing me on whether I have wondered about the impacts on people affected by the legislation. I have done that. Perhaps he did not do it before he made his contribution. In particular, I would like to thank chief executive officers Evan Hall from the Tourism Council of WA and Bradley Woods from the Australian Hotels Association of WA. They have both been integrally involved with the development of this legislation from the earliest stage. That is not to say they agreed with everything in it or got their own way on everything in it, but it is to say that they were extremely helpful; they were willing to seek out additional research on our behalf and support us with information when we needed it. Right to this very moment, they have been engaged with my staff on the detail of the Liquor Control Amendment Bill. Obviously, they are acting on behalf of the peak bodies of their constituencies, but to this very moment, they are still engaged in discussions on the bill. Wherever we can, we are trying to accommodate good ideas they have proposed. That is what this bill represents. It does not give them everything they want because that would be wrong. With those two CEOs, I will throw in the name of an individual from another association who has been deeply involved, and that is Peter Peck from the Liquor Stores Association of WA. Like the other two, he has been very willing to give us the advice and views of his membership. That has been a considerable contribution.

I found interesting the comments the member for Churchlands was throwing around accusing me of being inconsistent or the member for Hillarys suggesting that the bill's provisions contained multiple points of view. The member for Churchlands began by berating the government for pursuing an anticompetitive stance that would favour small businesses. It saddens me to see the Liberal Party abandon small business in the way it has in recent years. To completely abandon the views and concerns of small business in the fashion it has and to treat in such a disdainful manner people who otherwise in the past might have viewed the Liberal Party as their advocate is a sad thing to witness. I saw it during the former government's term in the way it ignored subcontractors. With this legislation, members opposite are standing up, I think unilaterally, for the interests of Coles and Woolworths—really big, national players with all manner of resources—but not necessarily with the interests of Western Australia at heart, although they do make a contribution. They are approaching this legislation from the mindset of Sydney. The people advocating on their behalf reside in Sydney; they are not local people. The conversation they are having is around their rights to engage in whatever practices they want in our suburbs and towns. It saddens me to see the Liberal Party of Western Australia abandoning small business on behalf of those players. I am not criticising people for presenting their views—that is a reasonable thing—but to completely shut out consideration of small business in this manner is a really sad development in Western Australian politics. The WA Labor Party will stand by small business in Western Australia. I am the small business minister. In framing this legislation, I can guarantee that I have held close to my heart the interests of small businesses across Western Australia. We sought advice from those who represent small businesses right across the state in hospitality, tourism and liquor store outlets.

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I am not really sure where the Nationals stand on this, although the member for Roe was very supportive of the components of our legislation that pursue bulk liquor or packaged liquor outlets—the liquor barn—type component of the legislation. He seemed very supportive, and I welcome that but I am not sure about other Nationals' views yet. With respect to the Liberal Party, here is a little bit of gratuitous advice. I suggest members opposite count how many small bars, liquor outlets and small pubs are in their electorates and then count how many Dan Murphy's and First Choice stores they have and consider the interests of their constituency. When it comes down to it this is not about —

**Mr J.E. McGrath** interjected.

**Mr P. PAPALIA:** I know the member for South Perth will stick them out in the industrial area because he can do that, but a lot of people cannot. Earlier on, I was informed by the Minister for Planning that to some extent, with respect to liquor barns, this legislation may be superfluous because local governments across the state are responding to what they view as a threat. They are changing their acts under the appropriate planning legislation to prevent the oversupply of alcohol because they view it as an issue. The WA Local Government Association supports those moves. This legislation is framed in such a way as to support the intent of those moves by local governments. It will not ban liquor barns; it will not retrospectively shut down anyone's business; and it will not impede on the opportunity for people to engage in good business practices. It will determine whether consumer requirements are being adequately met. That is the single issue being addressed with what members opposite are calling—incorrectly, very trickily and inappropriately—a needs test. It is not a needs test. That is a ridiculous suggestion and you know that, member. I am talking through you, Mr Acting Speaker (Mr R.S. Love). The member for South Perth knows that is a silly suggestion. There is the member for Dawesville—read *Hansard*, I apologised to you earlier.

**Mr Z.R.F. Kirkup** interjected.

**Mr P. PAPALIA:** I am. I thought I would make your day.

The suggestion that in some manner we are imposing a needs test is just silly. I look forward to consideration in detail when we can explain that that is certainly not the case. We will be providing an opportunity for the director of Liquor Licensing to determine whether local packaged liquor requirements are already met in the interests of the consumer. We will give a certain range of criteria that will enable the director to perhaps limit oversupply of those needs being met. When members consider that liquor is a drug and we understand and concede that we must regulate it—everyone does; no-one has disputed that in any way—we must also concede that there will be a balance between supply and what people might want in excess supply and what restrictions are needed to ensure that harm is minimised. That is the intent of the legislation in general terms across any liquor-associated legislation and it is certainly the intent of this bill. To suggest we are including a needs test is just silly. The member knows that the needs test referred to by the Premier at the time he keeps quoting him enabled other outlets to complain that they did not want another one. That is not what we are doing; that would be silly. Of course we are not doing that. The legislation will perhaps not be liked by those who wish to do whatever they want and establish as many liquor barns in any geographical area as they would like. We will be empowering communities to have a say.

Debate interrupted, pursuant to standing orders.

[Continued on page 882.].