

LIQUOR AND GAMING LEGISLATION AMENDMENT BILL 2006

Second Reading

Resumed from 17 October.

DR G.G. JACOBS (Roe) [12.36 pm]: I will bring some caution to the debate on this new legislation. Although I will not oppose it, I will express some views that I suppose address public health and safety issues. We have heard a lot of arguments and a lot of debate concerning the commercial aspects, if one likes, of deregulating liquor and liquor sales in Western Australia. I make the point that in fact the Liberal Party was criticised in the past for its initial stance on this matter. We initially took an unexpected stance that did not appear to be consistent with the deregulatory, laissez-faire, free-enterprise position that it is perceived the Liberal Party has. I bring caution to this argument because I believe that when it comes to the issue of deregulation of this product, there are some special features of this product as distinct from the issue of perhaps deregulating the sale of biscuits, cereal or other market products. It is the special features of this product that have some social and public consequences that call for some responsibility, if one believes that the debate is very much going to be an open slather. I believe that we have some community responsibility, and we have a responsibility as legislators to say that some features of this product have consequences and sequelae in the community.

The Minister for Community Safety has just presented a bill dealing with drug-driving; that is, the Road Traffic Amendment (Drugs) Bill. That bill recognises the important consequences of drinking and driving, and using other drugs and driving. The most used drug within the community is still alcohol. I do not want to sound like a wowsler, which some people may be thinking. Perhaps under their breath they are saying that this guy abhors the whole notion of having a drink, but that is not the case. I believe that significant consequences of excess alcohol in the community relate to the availability of alcohol. I am not suggesting that we should go back to prohibition days. The member for Mindarie compared the old Perth with the new Perth in his most interesting speech. Yes, we have to consider progress and how society's standards and expectations move on.

I wanted to bring to the discussion the issue of availability of alcohol. It does have an impact when we consider that things such as road crashes, domestic violence and cirrhosis of the liver are the consequences of excess alcohol. Much research has been done on the availability issues, both economic and physical. Economic availability relates to the ease of procuring alcohol at affordable and low prices. It has been shown that lower prices of alcohol increase the marketing of alcohol and could be proven to show increased consumptions per capita. I will move on to the per capita issues shortly. Again, it was interesting to hear the member for Mindarie say that people look for cheap alcohol and slabs of beer that have a big sign on them saying they cost \$22. That is the sort of thing that we are looking for in a deregulated market. I understand those market forces and the issues of price and affordability and how competition will drive down the price of alcohol. I want to talk about some of the issues that we should be cautious of when talking about the use of alcohol and the economic issues that significantly promote the use of alcohol.

The other issues concerning availability are the physical ones; that is, the physical number of outlets, the density of outlets and the availability of outlets that sell alcohol. It was interesting to look at some of the statistics from my little old town - not so old - named Esperance in the south east. In the Esperance town site there are a total of 32 active licences. There are four hotels, three liquor stores, four club licences, one hotel restricted, five restaurant licences, three special facilities, one producer and 11 club licences. The list includes the hotels, the tavern, Liquorland, the Woolworths Esperance liquor store and licences involving the golf club, the bowling club, the yacht club, the Pink Lake Country Club as well as restaurants, including Seasons Restaurant, the Comfort Inn Bay of Isles Motel and the Golden Orient Chinese Restaurant. The list is pretty extensive for a town of 14 500 people.

Often I hear people say in this debate that we need to increase the number of small bars and perhaps allow 100 per cent of restaurant patrons to drink without purchasing a meal. Having seen those local figures, there are already significant outlets and significant opportunities to buy and consume alcohol in my town. It was also interesting to look at some of the figures relating to the number of licensed venues statewide. There are 621 hotels/taverns, 38 hotels restricted, 477 liquor stores, 52 cabaret licences, 484 special facilities, 706 restaurants, 420 clubs, 515 club restricted, 173 wholesale, and 528 producers. I mention these figures to give some concept to the issues that we are talking about. The physical studies and outlet density issues are cross-sectional and longitudinal. A cross-sectional area is found by taking an area, a suburb or whatever and noting the number of outlets within a particular area. The longitudinal studies monitor the number of outlets as the region grows.

It is important to note in this debate the report entitled "Australian Alcohol Indicators, Patterns of Alcohol Use and Related Harms for Australian States and Territories". In a summary of points, it says there was a general decline in adult per capita consumption in the early 1990s for most states and territories, although Queensland and Western Australia show some evidence of increasing consumption. Of the estimated visitor-adjusted adult per capita consumption of pure alcohol in litres by state and territory, the Northern Territory heads the list with

13.6, Western Australia is second with 10.2, followed by the ACT with 10, Queensland with 9.7, Tasmania with 8.7, South Australia with 8.5 and Victoria with 7.5. It was interesting to note another point made in the report -

Trends in adult per capita consumption closely reflect patterns in alcohol-related deaths and road crash injuries.

My point is that there is a need for caution. There is a need to monitor this issue very carefully. There is an argument that suggests that more outlets do not mean more drinking and do not increase the per capita consumption or lead to more violence and road crashes. The argument is that drinkers are redistributed. Instead of all the drinkers going to the pubs - which may foster in the crowds some disruption and violence - the drinkers will be spread throughout more civilised forms of drinking. The population of drinkers would be redistributed over different outlets for drinking. In the old days of Perth everybody went to a pub, which, perhaps because of crowd control issues and the culture, led to disruptive behaviour and violence. The argument is that this plan would redistribute drinkers throughout civilised settings and would not cause any increase in drinking, particularly excess drinking. That has been questioned in some research papers. It is all conditional on whether the market is saturated or satisfied; that is, increasing the number of outlets may lead to more people drinking or drinking excessively. There is no specific research paper that I can refer to that asserts that one way or the other. The reason for my comments is that it is very important that when we move forward under this deregulation legislation, we monitor the situation. It is very important to know what the adult per capita consumption level is under this legislation. It is very important to monitor statistics to show whether the new laws are having a detrimental effect on public health and safety. Those are very significant issues that we have to consider. They are not wowser issues; they are issues we have a responsibility for as members of Parliament. If I am to support this legislation, I must see a serious undertaking that we will monitor this legislation.

It is not all bad. The public interest issue affects an area in the north west of my electorate. I am referring to Kulin, which is about five hours' drive from Esperance. Kulin has two liquor outlets. One is the Kulin Hotel and the other is the recreation centre. When the bowling club was amalgamated into a multifunctional recreation centre, it took the bowling club liquor licence with it. The problem is that it is a restricted licence. The restricted licence in this case means that packaged liquor cannot be sold over the counter. The recreation centre was left in the estate of the Freebairns, who left about \$2 million to build the community centre. The centre cannot get what I regard to be an appropriate liquor licence. Under the present needs test, whenever the centre applies for a licence, the hotel immediately objects. I and many in the community can see that a full licence for the recreation centre is more than appropriate and in the public interest of the region. As such, the legislation is not all bad.

The legislation deals with the issue of small bars. I cannot see how a bar that can cater for up to 120 patrons can be a small bar. That frightens me. I do not believe that a bar containing 120 people can be described as small in any way.

[Member's time extended.]

Dr G.G. JACOBS: There is an issue of small bars and restaurants serving up to 100 per cent of their patrons alcohol without a meal. How will the restaurants be monitored? That word "monitoring" has arisen again. How will the issues be policed? We do not want to have the Queensland restaurant experience. Queensland has similar deregulation legislation. It went down this path before we did. That state has deregulated the serving of alcohol. Restaurants were allowed to start serving alcohol to patrons without a meal, and they started to adopt an entertainment component. Many restaurants would have a DJ or even a live band. Some had big screens. Issues of entertainment in a restaurant arose. The Queensland Parliament had to revisit its legislation. Some members on this side of the house have said that there is a potential for restaurants to become quasi-bars. Queensland found that restaurateurs were providing live entertainment and big-screen Foxtel entertainment. The Queensland Parliament revisited its legislation because it thought that that was not on and it was not its intention. I was not totally convinced when I had the briefings on this legislation that there are enough strict guidelines about entertainment and noise issues. What stops a small bar operator or a restaurant operator moving into the entertainment industry and creating noise issues and other associated issues? We need to be very clear about this.

The last point is that of policing. I do not want to see - I would hate to see - the operational onus of policing this legislation being put on to the police. That already happens in my region. It is very important that this legislation ensures that inspectors from the Department of Racing, Gaming and Liquor do the policing. We have heard about the paucity of inspectors in the state to police it now. The shortage of police throughout Western Australia has had a particular impact in my region. They do not have the staffing resources to ensure that the laws are policed. It is very important that the inspectorate be robust, have teeth and not abrogate its responsibilities to the Western Australia Police. We already have significant community and policing issues. The police are overstretched now. Their major callouts are to two liquor outlets. I have had occasion to communicate with Mr Barry Sargeant about those two issues, which are causing significant social disruption and noise and traffic issues. If this legislation is passed, which it will be, I would hate to see higher outlet densities, more small bars and restaurants which are masquerading as small bars and restaurants but which are quasi-bars,

and all the potential public health and safety issues associated with them. Those issues are already being experienced in my community. We have significant problems with police staffing and policing the social disruption and noise issues.

I am not entirely happy with some of the provisions in the legislation, but if this legislation is to be enacted, it is very important that its progress be monitored. It will be very important to continue to monitor the modalities and indexes, such as the adult per capita consumption issues. It will be very important to police compliance with the legislation. We do not want to have the Queensland experience, so we must be very clear about the definitions of a small bar licence and a restaurant licence, otherwise there will be issues with noise, entertainment, social disruption and neighbourhood violence. We need to be careful with those issues and we need to monitor the legislation.

I conclude my comments by referring to a study by the Prevention Research Center of the Pacific Institute for Research and Evaluation. It is quite a creditable research group. Its study refers to the way in which alcohol outlets affect neighbourhood violence. We need to keep a few comments in mind. The research into alcohol outlets and how they are detrimental to public health and safety is not an exact science. However, at one paragraph the research states -

What is the relationship between outlet density and violence?

A number of studies have found that in and near neighborhoods where there is a high density of places that sell alcohol, there is a higher rate of violence. That is, when bars, liquor stores, and other businesses -

Presumably, that will be the small bars, restaurants and taverns -

that sell alcohol are close together, more assaults and other violent crimes occur.

Members might say that it is not an exact science and that we cannot prove anything. However, this has been said in quite a few studies and it follows some logic. It also states -

What aspects of alcohol availability can be regulated?

The regulation of alcohol sales can have an impact on the availability of alcohol - that is, how easy and convenient it is to buy.

I have referred to the economic viability and the physical viability -

Some states and communities try to make alcohol less available by selling it only in limited places . . .
The regulation of availability is important because research generally shows that when alcohol is more easily available, people drink more and more alcohol problems occur.

That is not a wowsers comment; it is just a comment of caution about this legislation. Although the industry will be deregulated, and that can be important in the commercial environment, some special considerations must be had for the consumption of alcohol, and I have already touched on those special considerations in my contribution. It is very important that we continually monitor and keep our eye on alcohol issues and how they impact on the community.

MR M.P. MURRAY (Collie-Wellington - Parliamentary Secretary) [1.06 pm]: I support the Liquor and Gaming Legislation Amendment Bill 2006. First, I thank the minister and his advisers for listening to Country Labor's concerns. We certainly had some concerns when the bill was first mooted and was being drafted, and many of those concerns have been taken into account.

Mr J.E. McGrath: He had no choice. You put a gun to his head!

Mr M.P. MURRAY: That is right! Some things work; some things do not. In all seriousness, although this legislation will set the city against the country in a little way, it was not our intention to do that. I believe that, in time, there will be a level playing field across the state. However, the legislation will give areas with smaller populations a chance to adjust and to develop a strategy to survive in the future. Some of the country towns do not have a large enough population base for many liquor outlets to survive, and if one were pitted against the other, either a hotel or a bottle shop, or both, would close. We have been very concerned about that. I think this bill has done a great job in recognising our concerns.

We have moved into a new age. Anyone who has travelled throughout Europe - it has been referred to many times in members' speeches - will have seen the way in which alcohol is treated in those areas. Certainly, the price of alcohol in some places means that it must be a special occasion for people to have a drink. It costs about \$15 for a glass of alcohol in Norway and \$13 for a glass in Beijing, unless people go across the road to a store, where, as I found out very quickly, alcohol cost only \$2, so I bought my stubbies and took them with me. Putting up the price of alcohol is one way of controlling the use, not abuse, of alcohol. Certainly Norway has major problems with youths drinking hard spirits and not what are called soft beers. In some of the towns that I

visited, groups of young people were sitting around in parks drinking. I see quite the opposite in our cities, where groups of older people sit around in parks and drink.

It is time that the laws were changed and smaller places were allowed to flourish, as can be seen in Europe. Some years ago - I think it was in 1973 - when I went to Germany I was surprised to find that I could buy a bottle of beer, which was next to the coca-cola, from a fridge in the deli. There was no age restriction on that. I also had to get used to having a bottle of beer with a piece of cake at morning tea. That is different from the Australian way.

Mr M. McGowan: Forget the cake!

Mr M.P. MURRAY: That is right!

Those sorts of laws have been in place in Europe for years. Australia's culture is quite different from the European culture. I have participated in our culture which, hopefully, is a culture of the past. The member for Mindarie touched on our culture last night. Western Australia's barnyard culture of the Nookanburra Hotel and places like that has almost disappeared. At first that culture involved one-hour slosh sessions on Sundays. It then moved to two-hour slosh sessions that were attended by thousands of people. The fights that erupted at those places were something to behold. People rushed to drink more than their fair share of alcohol and, as a result, when they filed out at the end of the day there were many fights. I remember seeing some horrific fights.

Mr M. McGowan: How closely did you see them?

Mr M.P. MURRAY: I have seen a couple with some stitches over one eyebrow! In those days fighting was the norm. I would not like to see us adopt that culture again.

It is good that many of the larger hotels are adapting to our changing society. They have moved away from Sunday slosh sessions and now provide different entertainment. It is probably unfortunate for rock bands that we do not have the big venues of times gone by. A big turnout of fans would follow bands from one pub to another, including the Swanbourne Hotel. At various times it became quite rough on the lawns at Scarborough beach. I am sure other members remember those times. The Charles Hotel was another one. I have a great story to tell about that pub, but I will not tell it in this chamber! Between the ages of 18 and 20 I lived in Perth and participated in that culture. As I said, we have moved on and the hoteliers have adjusted as we have moved along. This legislation means that they will have to adjust to compete and, as several other speakers mentioned, they will do that if they want their businesses to survive. I am somewhat disheartened by the fact that when I walk from Parliament House to my unit at night there are only a couple of large hotels at which I can drop in for a drink. Most of the eating houses are not licensed. A person on his own cannot just drop in and have a feed or a drink at some of the smaller places. Perth is growing. Over the past few years the number of people living in Perth's central area has increased by 6 000. When I first used to walk home from Parliament House during the week, I would hardly see anyone on the streets. That has changed. Last night I saw a large crowd in the city block. We must adjust to that change to accommodate those people. We do not need very large venues, because they seem to invite trouble. It was interesting to hear that the police support the concept of reducing the size of venues.

This legislation will result in a transitional period for country hotels. It will not last forever; indeed, as has been evidenced by the decline of barnyard hotels, nothing ever does. Country hotels provide a service to their communities - this was mentioned by the members for Stirling and Wagin - that is second to none in most cases. Country hotels are the central meeting place. In many smaller towns, the local pub is the only major building. As was mentioned by the Leader of the National Party last night, if these places do not survive, many historic buildings will be vandalised and left to rot and we will lose some of our history. We must look closely at whether these changes mean that country hotels will not survive. I refer to not only the business, but also the buildings. The Heritage Council and other heritage groups must become involved in these changes. Perhaps grants will allow us to keep these magnificent buildings afloat. Some of the hotels in my town have been refurbished. One has gone to rack and ruin. The Federal Hotel was built in 1903 and the Victoria Hotel was built in 1898, if I remember rightly. They are historic buildings. When driving past York and into the flats surrounding other smaller towns, the first things people see in those towns are large hotels. The verandas and posts of those historic hotels are very special. We must consider how to accommodate these changes in the future, because they will be made no matter what government is in power. As the population grows, the push to deregulate will come from all areas. I am open to ideas about how we can move forward. As I have said, this will be a transitional period. The three-year review will pick up some of that. We will deal with the changes at that time. I do not want to give false hopes to some of the hoteliers that this will last forever.

In addition to being social centres, country hotels provide trophies and awards within the community. They do a great job in that respect. Alternatively, the multinationals tend to centralise their money. It is great that they give \$300 000 to the Royal Flying Doctor Service of Australia. However, if the calculations are done on a hotel or business basis, that equates to only \$100 a business. One Collie hotel supplies all the trophies for the local

footy club. I am sure that the same thing happens in other country towns because I have heard it said. I can see members of the National Party nodding.

Mr M.W. Trenorden: Coles and Woolies don't.

Mr M.P. MURRAY: No, they do not. That is the problem. They are not as community-minded as they should be. They might allow clubs to hold a sausage sizzle in front of their stores to raise a couple of hundred of dollars. However, their commitment to the local communities is very limited, to say the least. If they ever secure a major share in country towns, we must ensure that they contribute directly.

Mr R.F. Johnson: We cannot force them to do that. They won't do it, my friend.

Mr M.P. MURRAY: That is what we are looking at. The numbers in the city block are quite different. The make-up of the communities is different. Indeed, other areas can be focused on. Certainly in country towns every dollar counts when sustaining local sporting clubs.

One of the hoteliers I spoke to - the premises consist of mainly a bottle shop, but also a small bar - said that he takes \$8 000 on a Sunday. When Coles and Woolworths were allowed to open over the Christmas period, his takings decreased to between \$3 000 and \$4 000. He is teetering on the edge. He has put his business up for sale a couple of times, but no-one is interested in buying it because they are worried about the effects of deregulation. The gentleman is probably 75 years of age. He is wondering whether he will have no choice but to shut the doors, walk away and leave his magnificent building behind. Some people have said that deregulation will not have an impact. However, it has a far greater impact in smaller communities. With a population of 10 000, Collie is trying to sustain five hotels. It is not doing a bad job. There are also five other licensed places. Most of the hotels have survived, but one has gone to rack and ruin and is no longer a viable business. We must consider what will happen to these historic buildings in the future.

The other aspect of local hotels, which certainly applied in my day but perhaps not so much now, is that local knowledge of who is and who is not drinking means there is some control over the age group of the people who are drinking. The age at which someone could drink used to be 21 years, although I certainly had a few beers in the pub before I was that age, as did many others. The age limit is now 18 years, which means it is more likely that someone can slip under the radar. Because of local knowledge in smaller towns, that can usually be sorted out. A publican would generally know most of the young people in smaller towns, which would mean some control over them. However, who checks people who drive in to bottle shops? People in bottle shops do not very often ask for identification. Customers in bottle shops can buy alcohol for a whole party, if they wish to, which is a dangerous precedent. I think back to my younger days when I made my mate stand on the rail that ran around the bar in the pub so that he was tall enough to order half a dozen bottles. He was told to get in there and do it because he was the biggest. Those things still happen, but in a controlled situation. In my younger days people could have a few beers and be allowed to drive. That has changed very much, and as a result has changed drinking habits. I am pleased to say that most of the young people I know designate a skipper. If a skipper is in a country pub and the barmaid or publican knows that, and the person starts to have a drink, he will be jumped on.

The big issue facing the country areas is the transition. I have received quite a few calls from Bunbury and Busselton, in addition to my own area of Harvey and Collie, asking for the government to give people time to adjust. I believe that this bill will allow that, so I support the bill wholeheartedly. I am sure that the transition will go very smoothly in Perth. I do not think that we will see the hiccups that have been referred to in the press. I commend the bill to the house.

MR R.F. JOHNSON (Hillarys) [1.22 pm]: The part of the bill that I have the most problem with is the part under which this minister will allow Coles and Woolworths to open their bottle shops on a Sunday. That is my main objection to the bill, although I have some concerns with other aspects of it. I say this for two reasons: first, it flies in the face of what the people of Western Australia voted for at the referendum at the last election. This government will ignore the will of the people at its cost. The people voted quite clearly that they did not want Sunday trading for Coles and Woolworths.

Mr B.S. Wyatt: Just so that I know where you are going, are you supporting the bill or not? I ask so that I may put what you are saying into context.

Mr R.F. JOHNSON: For the benefit of my good friend and colleague the member for Victoria Park, I will decide whether to support or oppose the bill depending on what amendments are accepted by the minister. I have given my first reason for my objection; that is, I am totally opposed to the Coles and the Woolworths of this world being allowed to trade on a Sunday. It is the thin edge of the wedge. The government was in favour of complete deregulation to allow supermarkets to open every Sunday and even to allow late-night shopping. I am not completely opposed to deregulation. I come from a business-enterprise background and I believe in competition. I have played a part in competition in the businesses that I have run over the past 25 years. I just

wonder when this government will deregulate the potato industry. We are talking about liquor here, which is harmful to people's health, but the government will not deregulate the potato industry. It is quite happy to give members of the public a limited choice of potatoes.

Mr M. McGowan: Do you support it?

Mr R.F. JOHNSON: I am not opposing deregulation per se. However, the government should deregulate in stages in some instances, so that people who are involved in an industry do not suddenly have their arms and legs cut off.

Mr R.C. Kucera: With potatoes you could chip away!

Mr R.F. JOHNSON: Exactly; that is a good simile. I believe that the government is doing a disservice to small business people in Western Australia by allowing Coles and Woolworths to open liquor stores on a Sunday. We know that hotels will suffer dramatic decreases in takings and profitability. I do not think it is fair to inflict that on them without any compensation being in place. When we deregulated the milk industry, we put in place compensation for people involved in the milk industry. If the government deregulates the taxi industry, which it may well do at some stage, it will have to put in place compensation for people with taxi licences. This applies to people who own assets, which could be their home, a building premises or a licence, such as a taxi licence. If the government wants to demolish somebody's house because it wants to build a road, it has to pay compensation. However, the government is quite happy to take away the asset of private operators involved in the industry at the moment without paying one cent in compensation. I do not see how the government can correlate those two areas. It should treat everybody the same and be fair to everybody.

I do not dislike Coles and Woolworths. For six days a week they do a very valuable job ensuring that they offer goods at reasonable prices. They do not need the seventh day to be able to do that. The seventh day is when small business people have a chance to make some money, which might cover them for the other six days. This country was built on small business people, who are the biggest group of employers in the whole of the country. I suggest that much the same applies in Western Australia. The government has a duty to those small business people. I believe they will vent their anger at this government at the next election because of what it is doing today. This is the thin end of the wedge. It is liquor today and it will be total deregulation tomorrow.

Coles and Woolworths are very similar to but smaller than Tesco, which operates throughout the United Kingdom. Tesco is looking at Coles. The rumour is that Tesco might try to take over Coles. Tesco will sell everything from a paperclip to life insurance. Tesco is not happy just selling groceries, which is what it started off doing; it will sell anything. Business will be lost by not only small-time grocery shops but also stationers, because people will go to Tesco to purchase their stationery needs. Tesco is knocking out small business. However, we are discussing the Liquor and Gaming Legislation Amendment Bill. That is the main part of the bill that I oppose.

Some pubs in Western Australia leave a lot to be desired and fall far short of the tremendous pubs and hotels in the United Kingdom. Those are not my words. I am not a whingeing Pom. They are the words of members on both sides of the house. The pubs in the UK have a different atmosphere. The days of the five o'clock swill have long gone. I get no pleasure from going to pubs that are basically bars with bare wooden floorboards and nothing else and have no decent, comfortable seating or atmosphere. Those types of pubs must lift their game. They might be needed in some country areas, and if that is what people want, good luck to them. However, many people in Western Australia, particularly in the metropolitan area, are migrants from the UK and other European countries. They are used to drinking in comfort and in much better surroundings. Some pubs in Western Australia have cottoned on to that. Some are even located close to my electorate. The Moon and Sixpence is a great example. It has a nice setting that people often go to for a meal, a drink and to enjoy the entertainment. It is a great Saturday night out, particularly when my son's group The Beat is playing there. I have gone into some pubs that I do not enjoy taking my wife to. She is not interested in going into some of the pubs in the metropolitan area because she does not feel comfortable in them. I would not want to take my children to them either. The hotel trade is improving on what it was when I first arrived in Western Australia and hopefully it will continue to improve.

Small bars appeared in the UK about 25 years ago. They were called wine bars, although they sold not only wine, but also beer and other drinks. They had a certain atmosphere. They were filled predominately with tables and chairs and also some stools at the counter. People would enjoy a glass of wine in those bars after work. They stocked very nice wines, which were mainly from Germany and France. They were the types of places to go to for a good glass of wine in the UK. The wines served in the UK now are predominantly Australian wines, which I am very pleased about.

Mr R.C. Kucera: That used to be the position in Perth more than 40 years ago.

Mr R.F. JOHNSON: Wine bars?

Mr R.C. Kucera: Yes. The big hotel trade gradually pushed the individual wine bars out of existence.

Mr R.F. JOHNSON: That is a great shame.

Mr R.C. Kucera: We are going back to what we had 40 years ago.

Mr R.F. JOHNSON: I almost opened a wine bar in the UK. I had even sourced the premises. Those types of wine bars became very popular. They were a novelty and did quite well. However, over the following 15 years the wine bars were converted to restaurants. They now make more money from serving food than they do from serving alcohol. Good luck to them. It is far better for people to eat when they drink because there is less chance of the alcohol affecting them so much or of them suffering from the after effects of excessive alcohol consumption. The same situation could happen here. I often consider small bars as the *Cheers* type that we have seen depicted on American television. That type of venue is not a pub; it is basically a bar. In that program the regulars frequented the bar every night to enjoy each other's company. I do not have a problem with that. The small bars will survive or fall depending on the service they provide.

I would have preferred to see small bars initially trialled in the tourism precincts. I prefer to see deregulation introduced in stages, particularly in this industry. If they were trialled in the tourism precincts and if a review were conducted in two or three years, it would give people a chance to know whether they worked and whether people enjoyed and patronised those types of establishments. We could then have introduced further deregulation after the review was conducted. As the member for Roe said, a bar with up to 120 people is bigger than what I consider to be a small bar if its only purpose is to be a venue where people only drink. I hope that the patrons are also offered food at those bars. In the main, local authorities will knock back a lot of applications for those types of premises - and so they should - particularly if they are to be located near residential properties. The local governments should give consideration to the residents of their towns before consideration is given to a business operation that can cause noise problems, disturbances and related antisocial problems caused by excessive drinking, which is occurring in the suburbs. We have problems in my electorate each Friday and Saturday night when people go to the pub or nightclub at Hillarys. Instead of going home sober, some patrons go through Sorrento or Hillarys and cause damage and all sorts of problems. From time to time we also see youngsters walking in Hillarys marina and Sorrento Quay with a drink in their hand, which is illegal. We do not have enough police officers to administer the law. Small bars will just perpetuate the problems.

Mr M.W. Trenorden: If a police officer does turn up, the youths will throw their stubbies at him.

Mr R.F. JOHNSON: They probably would.

Mr M.W. Trenorden: They do it in Northam, so I presume they would do it in Hillarys.

Mr R.F. JOHNSON: I am sure they would if the police officers turned up. Unfortunately we do not have enough police officers in my electorate. Small bars will cause problems because the patrons will have been drinking. However, I am happy to trial it. I do not believe that the government's desire for small bars to proliferate throughout the state will eventuate. I have read in the paper that local authorities will be very vigilant and will turn down many applications. I read yesterday that the Subiaco council thinks it already has the maximum number of bars necessary for the area.

Members have referred to some of the European countries they have visited where they have been able to drink without having a meal. I do not have a problem with that. Throughout the whole of France are cafes and restaurants with chairs and tables set up outside. People can choose either to sit inside or outside to enjoy a nice glass of wine or beer. I do not have a problem with that. A restaurant is a restaurant and it should predominantly be a restaurant. I do not have a problem with people being able to drink without a meal, as long as it is not 100 per cent of the patrons. I think I am right in saying - members are aware that I have been away for a couple of weeks - that the restaurants that apply for a licence to serve alcohol without a meal will have to submit their accounts to the licensing authority to show the amount of takings they have earned, and 60 per cent of their earnings must be made from the sale of food and up to 40 per cent can be made from the sale of alcohol. Is that right, minister?

Mr M. McGowan: I will answer it all when I give my second reading reply.

Mr R.F. JOHNSON: It is the only question I am asking, minister.

Mr M. McGowan: Not necessarily.

Mr R.F. JOHNSON: Is it not necessarily that percentage, or will the restaurant owners not have to submit accounts received?

Mr M. McGowan: There will be a capacity for the licensing authority to check the books of particular establishments. That is welcomed by the Restaurant and Catering Industry Association of Western Australia and is, in fact, already the case.

Mr R.F. JOHNSON: Will it not be mandatory for the restaurateurs to send in their accounts?

Mr M. McGowan: No.

Mr R.F. JOHNSON: That is good because it would be a pain in the backside for any restaurateur to have to comply with that type of regime.

As I said, I share the concerns of many members about the consumption of alcohol. It is the most widely used drug in Western Australia. We should try to encourage people to drink less strong alcohol. I am delighted when many people these days ask for light beer rather than full strength beer. I usually drink only light beer these days. I do not want to add up the number of drinks I have had, but I have usually had my fill after drinking a couple of stubbies of light beer. If it is a long night, I might drink a third stubbie, but I rarely would drink more than two. I much prefer a nice glass of wine with my dinner.

Mr B.S. Wyatt: How many of those do you have?

Mr R.F. JOHNSON: When Parliament is not sitting, I usually have a glass and a half of red wine. I start the wine just before dinner is ready. My wife always cooks a wonderful meal, which is usually ready by the time I am halfway through my first glass of wine and then I top up the glass. That amounts to about a glass and a half of red wine, which, medicinally speaking, is very good for us and we really enjoy it. I do not drink beer very often. I could vote for most of this bill, although I would have preferred that the main aspects had been introduced in stages and had included some safeguards for small business people in Western Australia. I say that with all seriousness.

The one part of this bill that I will not support is deregulation of Sunday trading. It will allow Coles and Woolworths to decimate our small business operators. By that I mean our privately owned liquor stores and pubs. Coles and Woolworths have been buying pubs to try to muscle in on this business so that they can open their bottle shops on Sundays without a problem. That is fine; let them continue to buy the pubs if they want to. At least they will have an obligation to run the pubs, although they do not want to. They are using their muscle to bully this government into allowing them to trade with non-drive-through bottle shops, and the minister has succumbed. He has done something that I think is unforgivable. He has acted against the wishes of Western Australians that were demonstrated in the referendum. It cannot be said in any other way.

[Member's time extended.]

Mr R.F. JOHNSON: The minister can embellish his press releases and comments in trying to deny that that is what he has done. He has gone against the wishes of the Western Australian community by introducing Sunday trading for liquor stores. I am pretty sure that Coles and Woolworths will start using their muscle to make their shopping centre liquor stores accessible from the outside so that they can trade on Sundays when the shopping centres are closed. They will also start buying privately owned liquor stores at knockdown prices when the small stores start going out of business. I can assure the minister that Coles and Woolworths will offer booze at such cheap prices that people will, understandably, buy their slabs of beer and bottles or cases of wine from them. Once those companies have knocked out all their competition, prices will increase. One of the minister's colleagues acknowledged that prices will eventually increase. Of course they will. When there is no competition, they will do what Tesco's did in the United Kingdom: they decimated the small, privately owned shops and stores by selling everything from a paper clip to life insurance. When Coles and Woolworths have finally eliminated all the competition, that is when prices will increase, albeit their prices will probably not increase for five years because many of the small licensed liquor stores will try to keep going. However, they will be decimated and Coles and Woolworths will have a distinct regime of knocking them out of business. The problem is that there are no antitrust laws in this state that can deal with the predatory behaviour of international conglomerates such as Coles and Woolworths. If antitrust laws were in place, I would agree with 100 per cent deregulation. Until there are safeguards in place, we should deregulate gradually and ensure that small businesses continue to operate and employ their staff for many years to come. I cannot support that aspect of the bill. Unless an amendment is made to ensure that Coles and Woolworths do not monopolise liquor sales on Sundays and consequently decimate not only privately owned liquor stores but also pubs that rely on Sunday trading, I will not support the bill. I have no problem supporting almost everything else in the bill.

MR R.C. KUCERA (Yokine) [1.45 pm]: Firstly, I compliment Jim Freemantle and the committee that produced the report that has led to these reforms. Having been closely associated for the past, I suppose, 40 years with the liquor industry in perhaps some of the worst and best situations, I am certain it is high time that we start to change attitudes generally. I was fortunate as a senior police officer to work on the Mattingley review in 1994 or 1995 as part of the previous government. As the member for Hillarys knows, I was a member of many committees during the previous government and worked well with all the ministers. I think Keith Mattingley took the very first step towards reforming liquor laws and changing attitudes to the consumption of liquor generally in this state. However, I do not think anyone has commented yet on what I think is the real thrust of the Freemantle review; namely, it is aimed not at changing necessarily the consumption of alcohol in

this state but the culture of drinking, which persisted probably until 10 years ago in other states. The culture I am referring to is that of making drinking the recreation. Where I grew up in Wales, drinking was part of recreation. The pubs that the member for Hillarys referred to were places to where people went to play cards and enjoy fellowship. Occasionally, one had a few too many, but, by and large, they were places to go to as part of recreation.

Many people have talked about the issues in France and Europe generally. I had the great fortune this year to go back to my father's village in the former Czechoslovakia where they make all their own beer and wines. There is an open-slather approach there and people can buy beer in ice-cream shops. My nephew and I sat down and drank a beer while the girls ate ice creams. Nobody cares about drinking there. That is not to say that they do not have the same problems as occur here with people who are alcoholics and drinking by young people.

I came back from Tasmania last week where I was reminded of the ugly tourist. While travelling overseas, some of the ugliest behaviour in people I saw was in young Australians, because they have grown up with a culture of drinking and getting drunk being the recreation. What I think Jim Freemantle captured in his review is reflected in the way we will move forward now with these four planks of reform. In fact, I believe there are five planks of reform, as one has not been mentioned; namely, the power of the minister to declare special events. This is long overdue. It was one of the platforms I put forward before the last election as part of the tourism policy in this state. I proposed doing something different when major international events are held in this state. Major state events should be given greater priority. Mattingley started the change in the culture. In the mid-1990s when the liquor reforms were introduced, not through legislation but by staging the liquor accords, the change in culture started to occur. I think it was the member for Hillarys who commented on the police etc, and I will refer to that later in my speech. In implementing the reforms in this legislation, local government, police, the taxi industry and everyone else who is allied to the delivery of services in the industry should start thinking of reform.

The strength behind the accords that we established first in Fremantle and secondly in Northbridge - some of them have spread to country and regional areas - was in bringing together all the services that assisted people to enjoy themselves. I am not talking about assisting people to get drunk. I am talking about assisting people to have a good evening and enjoy a culture that takes into account the fact that they will be consuming alcohol. Unfortunately, unlike Victoria, where I was recently for the grand final, as were a number of other members of this place, we did not move on and reform our liquor industry in accordance with what we were trying to do in changing the culture. Therefore, many of the gains that we made in Fremantle have been lost. I was disappointed to read the comment by Peter Tagliaferri the other day in the press that the opening of small bars etc would cause mayhem on the streets of Fremantle. Our experience with the accords was the very opposite. We found that the more we made alcohol a part of people's recreational activity and supported people in enjoying that activity, and the more we staggered the delivery of alcohol, the fewer were the problems that were encountered by the police. It is a recipe for disaster if all the hotels and clubs in Northbridge throw people out the door at three o'clock in the morning. A few years ago we banned things such as pass-outs after midnight or 1.00 am. We said if people leave a nightclub at midnight, that is it. They do not get any more drinks. They go home. That kind of thinking changed the culture of how and when people drink. However, unfortunately that has lapsed. We have gone back to the way things were. The supports that the police put into effect in places such as Hillarys currently do not appear to be in effect, for whatever reason. I am not criticising anyone when I say that. I am saying this from a practical viewpoint. As one of the engineers of this change in culture, it disappoints me that these things have now drifted away.

However, Victoria has moved on. Victoria has established in legislation - as has Tasmania - three of the planks that we are talking about in this bill. Those three planks deal with the changes with regard to small bars, restaurants and hotels. I will not talk a great deal about the fourth issue; namely, Sunday trading. I expressed my views on this matter yesterday when I had an exchange with the member for Leschenault. I agree totally with the member for Stirling's comments about the Australian Competition and Consumer Commission. Unless the federal government does something about the ACCC and bites the bullet through its small business ministers and works with the state ministers to bring in antitrust laws that are complementary to what the state governments are doing, a takeover and a duopoly will occur not just in the retail area but throughout industry. It is all very well to have deregulation. I take into account what the member for Vasse has said about free market issues. I too studied economics. However, at the end of the day there needs to be some protection for the small business people in this country. That should not be done by using the underlying agendas of issues such as Sunday trading or seven days a week trading. Those are really just ruses to try to keep competition out of the arena. At the same time, the larger companies are starting to move into the industry in any event.

I turn now to the attitude of licensees generally. I have great respect for the Australian Hotels Association. However, for far too long the culture that has applied in this state has been one of filling them up and then throwing them out the door. That has been the culture since I first came to Western Australia in about the 1960s. I remember what it was like to walk into the huge barns of hotels like the Charles Hotel or the North Perth Hotel

on a Friday afternoon, or the Waikiki Hotel, which someone mentioned the other day. The police used to send two of the biggest coppers in the force - people such as Neil Boon, who I worked with in those days, and me - to the hotels in a van on a Sunday afternoon before the session finished. They would send the ones who could fight the best, because they knew there would always be a blue or a disruption. They knew there would be a heap of people who had gone to those huge barns of hotels to throw as much booze down their throats as they could in two hours. I remember all the angst that went on with the AHA when it was decided that hotels could open - at long last - on Sundays. It was a Liberal government that brought in that liberalisation of hotels at that time. This bill is a bipartisan approach to the program that has taken place over the past few years. Having lived through all that, and having suffered all the punches and kicks that went along with that, I would hate to see us go back to that type of thinking

Mr P.D. Omodei: They must not have gotten a clean hit!

Mr R.C. KUCERA: They got a few in! I remember a few at Mt Barker that had a win too, occasionally. The point I am making is that the world has moved on.

Last week when I was in Melbourne I found it very interesting to go out on the town after the grand final. Apart from the big swill at the Hilton hotel opposite the MCG, there were very few other places around Melbourne where there were any real problems. Even at Federation Square on the Sunday night when the rugby was on and the Eagles fans were still celebrating from the day before, it was a festival. I did not see the bad behaviour that I used to see at three o'clock in the morning in Northbridge. Things have moved on. That is not to say Victoria does not have any problems in this area. However, if we deregulate in this way, we can change the culture. Nowadays I do not want to go to the Charles Hotel on a Friday afternoon. I live only 50 metres from that hotel. However, I do not want to go there with the skimpies and the booze and the idiots doing wheelies in the street. However, I am more than happy to go into Leederville, to a little bar or restaurant, and have a glass of wine and enjoy some good music, such as a good jazz band, as I can do anywhere else in Australia.

Much has been said about country hotels. People have talked about new liquor outlets opening and the impact that small bars will have on small country hotels. However, the reality is that no-one opens a business unless it is able to compete in its own right and be viable. In most country towns these days, unless there is a sporting club in the town, the hotel has pretty much got the business stitched up already. No-one would want to come into the town and open a new business, knowing that the competition that already exists will mean that the business will not be viable. I cannot see the sense in that. It is not a sensible business proposition. Therefore, I do not think there will be a great many changes to country hotels.

Last week when I was driving around Tasmania I saw the very opposite. In about 1992 I went to an ethnic affairs conference in Tasmania on behalf of the Commissioner of Police. After the conference I took some time to drive around Tasmania for a couple of days, as we do when we go away on these trips -

Mr T. Buswell: Is that what you do?

Mr R.C. KUCERA: Of course we do. It is a fact-finding mission, as we all know. At that time, the country pubs in Tasmania were dying because of the restrictive licensing laws that were being applied to them. I found a lovely little pub not far outside of Hobart. It was in either Brighton or Richmond; I cannot remember now which one it was. The fellow there was a really good licensee, and a great talker. My wife Susan got about three phone calls from me that night asking her whether we could raise the money to buy that pub, because I was so taken by it. However, the next morning, when reality struck, I changed my mind. I went to that same pub again last week. It is now a restaurant-hotel-tavern set up. It is going at 100 miles an hour. It is on the main traffic route between Hobart and Launceston. It is doing well. It is doing well because the liquor laws in Tasmania have been freed up. The people in Tasmania have had to change. The old-style licensee who was at that pub in 1992 is no longer there. A couple have decided to take it over and make a sea change in their lives. They are not making a huge quid, but they are doing well. They have also become a central part of the town and the community spirit in that town.

[Member's time extended.]

Mr R.C. KUCERA: I turn now to the delivery of the service of alcohol generally. I agree with some speakers on the other side that we will have to put all other government agencies on notice as these reforms start to come in. They will need to support these reforms in dealing with the consumption of alcohol generally and the things that I talked about earlier with the accord.

I will touch later on another of the planks that we talked about, the restaurants. I want to also touch on football stadiums and special events.

Debate interrupted until a later stage of the sitting, pursuant to standing orders.

[Continued on page 7231.]

Extract from *Hansard*

[ASSEMBLY - Wednesday, 18 October 2006]

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Dr Graham Jacobs; Mr Mick Murray; Mr Rob Johnson; Mr Bob Kucera
