



30 January 2008

Social Services Committee
Parliament Buildings
Wellington

Dear Sir/Madam

SUBMISSION BY NARGON ON THE SALE OF LIQUOR (OBJECTIONS TO APPLICATIONS)
AMENDMENT BILL

Please find attached 2 copies of NARGON's submission on the above Bill.

NARGON requests the opportunity to be heard by the Select Committee in due course. Please contact Trina Snow (DDI) 496 6557 or email director@nargon.co.nz.

Yours sincerely

Trina Snow
Executive Director

Submission

By



to the

Social Services Select Committee

On the

Sale of Liquor (Objections to Applications) Amendment Bill

August 2008

*P.O. Box 1925
Wellington
Ph: 04 496 6555
Fax: 04 496 6550*

SALE OF LIQUOR (OBJECTIONS TO APPLICATIONS) AMENDMENT BILL SUBMISSION FROM THE NATIONAL ASSOCIATION OF RETAIL GROCERS AND SUPERMARKETS OF NEW ZEALAND INCORPORATED (NARGON)¹

1. NARGON welcomes the opportunity to comment on the Sale of Liquor (Objections to Applications) Amendment Bill.
2. NARGON has concerns about this bill and recommends that the committee defer their deliberations and consider it in conjunction with the Governments Bill when this is referred to the Select Committee given that the government has also recently announced the introduction of the Sale and Supply of Liquor and liquor Enforcement Bill we also note, that the Law Commission will undertake a comprehensive two and a half year review of New Zealand's liquor laws, which will in no doubt address such issues.
3. Should the Committee decide not to defer deliberations and consider it in conjunction with the Governments Bill, then the bill as drafted where it requests in Clause 8 to insert a new section 31 A of the principal Act to require an applicant for an off-licence to carry out an evaluation of the social impacts on the community if the licence were to be granted is unreasonable to the applicant.
 - a. Small businesses often do not have the expertise or the finance available to carry out the required study; therefore the requirement would eventuate in a trading monopoly for the larger companies, as smaller players are crowded out from applying for on-licences or off-licences.
 - b. The analysis of the impact of alcohol use is a complex matter requiring expertise and consultants may well be needed to carry out this role for the district licensing authorities for each application regardless of who has provided the social impact study. This is likely to increase the cost of licensing fees providing further disadvantage to smaller businesses

¹ Information about NARGON is attached as Appendix 1

- c. In addition, there would be a limited number of experts/consultants who would be able to carry out an accurate evaluation. Many businesses applying could often find themselves 'waiting in the queue' for an evaluation to be done, causing further uncertainty and delays in business operations.
 - d. Relating to the issue of impact studies, questions remain about how the report is collated and the information gained, as you could easily have a wide dispersion of results
 - e. While social impact analysis on liquor licensing is probably warranted, this should be a consideration of the District Licensing Authority when assessing an application. We do not believe a social impact assessment should have to be conducted in every instance but the District Licensing authority should have discretion.
4. NARGON is also concerned with clause 9 which amends section 32 of the principal Act to provide that any affected party may object to an application for an off-licence.
- a. We do not believe that parties residing outside of the area of the jurisdiction of the District Liquor Licensing Authority or the Territorial Local Authority should qualify as objectors.
 - b. Clauses 7 and 11 of the Bill empower the Licensing Authority to request further information from any objector, in order to establish whether the objector is an affected party. The Licensing Authority cannot require an individual to provide any information. We therefore submit that this does not constitute interference with the right to freedom of expression affirmed by section 14 of the Bill of Rights Act.

5. RECOMMENDATIONS

The National Association of Retail Grocers and Supermarkets of New Zealand (NARGON) recommends:

- a. That the committee defers their deliberations and considers it in conjunction with the Governments Bill when this is referred to the Select Committee.
- b. Social impact analysis on liquor licensing should be the responsibility of the District Licensing authority and at their discretion.
- c. Objections are limited to within the area of the jurisdiction of the District Liquor Licensing Authority or the Territorial Local Authority.

APPENDIX 1

ABOUT NARGON

The National Association of Retail Grocers and Supermarkets of New Zealand Incorporated (NARGON) represent the interests of approximately 40% of the food retailing industry in New Zealand.

The approximately 500 retail members of NARGON are owner-operators of retail food warehouses, supermarkets and grocery/convenience stores. In the main, retail members of NARGON are aligned to a banner/advertising group of stores such as New World, Pak 'N Save, Write Price, Four Square, Supervalu, Fresh Choice or Price Cutter. NARGON's members range from the owners of the largest supermarkets through to the owners of the smallest convenience stores and are located in cities, towns and small rural communities throughout New Zealand. The majority of NARGON's retail members currently sell wine and beer. NARGON also has a number of associate members that are major suppliers of products and services to the retail members of NARGON.