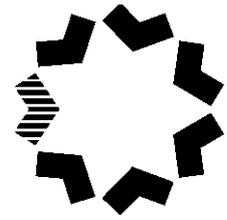


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## PRESS RELEASE

### NCP DOES NOT REQUIRE UNRESTRICTED SALE OF ALCOHOL

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Responding to claims this morning by the News South Wales Government, Acting President of the National Competition Council, Dr Wendy Craik, said that National Competition Policy (NCP) did not require the unrestricted sale of alcohol.

Under NCP, liquor licensing laws that prevent responsible sellers from entering the market or favour some sellers at the expense of others have to be reviewed by governments and where appropriate, reformed. However, this does not require that restrictions on liquor sales be removed.

“The public interest is served by restrictions being placed on the availability of alcohol in certain circumstances,” Dr Craik said.

“Licensing laws that prescribe accepted community standards relating to alcohol consumption are entirely consistent with NCP. These include requirements as to the minimum age for legal consumption, requirements that liquor retailers be suitable persons with adequate knowledge of the relevant legislation, and measures to prevent the sale of alcohol to intoxicated persons.

“A ‘public interest’ test for licences that focuses on the social, community and health implications of a liquor licence application is consistent with NCP. A test that focuses merely on the competitive interests of existing licensees is not.

“Under NCP, the public interest comes first. What is important is that the public interest is considered in terms of the whole community, rather than particular commercial interests.”

Dr Craik said that Victoria, Tasmania and the Australian Capital Territory had different ways of assessing liquor licence applications yet all focussed on the social, community and health implications. All comply with NCP.

“The NCP requires that governments review their legislation and remove barriers to competition unless they can show that retaining the restriction is in the public interest and the objective cannot be met by other means,” said Dr Craik.

“NSW is yet to respond to its review of liquor licensing legislation and its current arrangements continue to restrict competition with a needs test that allows a competitor who might be affected by a new liquor licence application to object by arguing that existing facilities meet the needs of the public.

“NSW had the opportunity to present the NCC with a rigorous and transparent review on why restrictions should be retained but it did not.

“Why NSW did not take advantage of the public interest test within NCP is a matter for that government.

“However, NCP is flexible and the public interest test permits regulation that promotes positive community health.”

Dr Craik said that in Victoria, an independent review of liquor licensing argued that restrictions on the type of outlets that can sell packaged liquor were of benefit to the community.

“In this case, the NCC accepted that the review established a public interest case and the restrictions that were retained complied with NCP.”

**For further comment contact: Dionne Lew 9285 7497, 0403 196 672**