**Public Accounts and Estimates Committee**

**Inquiry into the Auditor-General’s Report**

**Number: 99: Follow up of Regulating Gambling and Liquor (2019)**

**Opening Statement**

*James O’Halloran*

*Deputy Chair and Commissioner*

Victorian Liquor Commission

**24 July 2023**

The Victorian Liquor Commission commenced on 1 July 2022, supported by staff from the Department of Justice and Community Safety, as the new liquor regulator.

Importantly we are a statutory regulator, with a singular focus on the regulation of liquor in Victoria.

This last year has been a year of change.

We have put in place new management structures, new systems and dealt with new processes to meet the changed expectations.

The broader environment has also changed for liquor, as the package of legislative reforms progressively came into effect.

This is an exciting and challenging opportunity for us.

Our vision is to seek to ensure a safe, diverse, and responsible liquor industry focusing on harm minimisation and community safety.

Post-COVID, with a recognition of new expectations and emerging business models (many of which are virtual), there is now legislation that allows for specific arrangements for online sales and home delivery; the expansion of hours for certain licences until 1 am; the ability for licensees to provide liquor with food for consumption *‘off premises’*, and the introduction of a new remote seller’s licence.

Underpinning these reforms is a now legislated definition of ‘harm.’ The new definition specifically includes the harm on minors, vulnerable persons and communities and those that may be impacted by family violence.

Such changes require us to sharpen our focus to ensure we are considering a broader set of risks and perspectives.

Many of these changes are expected features of a modern liquor regulatory regime to deal with new ways that the industry seeks to operate and the services they wish to provide. These are balanced with the required protections to minimise potential ‘harm.’

From our perspective, these changes have been generally well received.

As a new regulator, along with implementing these exciting reforms, we also needed to *‘hit the ground running’* and continue to provide *‘business as* usual’ through the ongoing provision of licensing, compliance, education and our tribunal function. These have been challenging at times.

In terms of our *‘business as usual’* there have been the need for ongoing improvements and prioritisation. We have sought to adjust and learn from those experiences.

In our first year we have finalised 14,897 liquor licence applications and maintained our focus on compliance and enforcement with 268 completed investigations and conducted 4868 inspections. We also have major disciplinary hearings underway and the VLC tribunal has determined 46 internal review hearings.

We have done these things despite the changes associated with the separation from the VGCCC and the integration into Department of Justice and Community Safety systems, resources and shared services.

Since our commencement, we have actively engaged with industry and the community to listen and share perspectives, and this will be ongoing.

In relation to the VAGO liquor recommendations, I confirm that as reported by VAGO in the VAGO Response to Performance Engagement Report (June 2022), recommendations which relate to liquor, have been completed.

We remain committed to bringing to life the new regulatory arrangements, supported by continuous improvement and strengthening of our regulatory systems.

As we see the impact and behaviours that arise from the recent reforms we will continue to educate, administer and importantly enforce the regulation of liquor in Victoria.

We thank you for your ongoing interest and support.

Thank you.